

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you are recommended immediately to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who specialises in advising on the acquisition of shares and other securities and is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are resident in the UK, or, if you are not resident in the UK, from another authorised independent adviser. The whole of this document should be read. Your attention is drawn in particular to the section entitled Risk Factors in Part 4 of this document that describes certain risks associated with an investment in the Company.

This document constitutes an admission document drawn up in accordance with the AIM Rules. This document does not constitute a prospectus within the meaning of section 85 of FSMA and has not been drawn up in accordance with the UK Prospectus Regulation or approved or filed with the FCA. If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The Directors, whose names appear on page 20 of this document, accept responsibility, individually and collectively, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation or warranty, express or implied, is made by Peel Hunt as to any of the contents of this document for which the Directors are solely responsible.

The Ordinary Shares are admitted to trading on AIM. Application will be made for the Ordinary Shares to be re-admitted to trading on AIM following Sonangol Completion. All the Ordinary Shares will, on Admission, rank in full for all dividends or other distributions declared, made or paid in respect of the Ordinary Shares after Admission and will rank *pari passu* in all respects. The Ordinary Shares are not, and the Ordinary Shares of the Enlarged Group will not be, dealt on any other recognised investment exchange and no application has been or is being made for the Enlarged Group to be admitted to any such exchange. It is expected that Admission will become effective and dealings in the Enlarged Group will commence on AIM by the end of 2023.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document. You should read the whole text of this document. You should be aware that an investment in the Company is speculative and involves a degree of risk. Your attention is drawn to the section entitled “Risk Factors” set out in Part 4 of this document. All statements regarding the Group’s business should be viewed in light of these risk factors.



Afentra PLC

*(Incorporated and Registered in England and Wales under the Companies Acts 1948 to 1981
with Registered No 01757721)*

Proposed Acquisition of Oil and Gas interests in Angola

Admission of the Enlarged Group to trading on AIM

and

Notice of General Meeting

Nominated Adviser and Joint Broker

**PEEL
HUNT**

Peel Hunt LLP

Joint Broker

Tennyson Securities

Peel Hunt LLP (“**Peel Hunt**”) which is authorised and regulated by the Financial Conduct Authority is acting as nominated adviser and joint broker to the Company in connection with the Admission. Peel Hunt is not acting for, and will not be responsible to, any person other than the Company for providing the protections afforded to their customers or for advising any other person on the contents of this document or on any transaction or arrangement referred to in this document. Peel Hunt’s responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any other Director or to any person in respect of such person’s decision to acquire shares in the Company in reliance on any part of this document.

Tennyson Securities (“**Tennyson**”), a trading name of Shard Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority is acting as joint broker to the Company for the purposes of the AIM Rules. Tennyson is not acting for, and will not be responsible to, any person other than the Company for providing the protections afforded to their customers or for advising any other person on the contents of this document or on any transaction or arrangement referred to in this document. Tennyson’s responsibilities as the Company’s joint broker are not owed to any other person in respect of such person’s decision to acquire shares in the Company in reliance on any part of this document.

The distribution of this document and the offer and sale of Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company nor Peel Hunt nor Tennyson that would permit a public offer of Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this document in any jurisdiction where action for that purpose is required. Persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to sell, or the solicitation of any offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation would be unlawful.

Notice of a General Meeting to be held electronically on <https://web.lumiagm.com/> on 5 October 2023 at 10 a.m. is set out at the end of this document. The Chair of the General Meeting will be hosting the meeting at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL. The notice includes instructions for Shareholders who wish to attend, ask questions and vote at the General Meeting electronically.

If circumstances change such that it is necessary to change the arrangements for the General Meeting, we will communicate such change via our website and (where appropriate) through the release of an announcement to a Regulatory Information Service.

The Company will be operating an electronic voting system that will allow Shareholders to cast their vote on the Resolutions in advance of the General Meeting. Shareholders will be able to cast their vote electronically by logging on to www.signalshares.com and following the instructions or, using the CREST Proxy voting services. Electronic votes must be received by Link Group by 10.00 a.m. on 3 October 2023.

The Company encourages all Shareholders who wish to vote to utilise the electronic voting system to appoint the Chair of the General Meeting as their proxy (by logging on to <http://www.signalshares.com/> and following the instructions or using the CREST Proxy Voting Services). The Company recommends that all Shareholders appoint the proxy as soon as possible, but in each case the proxy must be received by Link Group by 10.00 a.m. on 3 October 2023. If you wish to appoint a proxy other than the Chair of the meeting and for them to attend the General Meeting on your behalf, please submit your proxy appointment in the usual way before contacting Link Group on +44 (0) 371 277 1020* in order to obtain their IVC and PIN. It is suggested that you do this as soon as possible and at least 48 hours (excluding non-business days) before the meeting.

The appointment of a proxy will not preclude you from virtually attending the General Meeting, or any adjournment thereof, should you wish to do so.

This document contains forward looking statements, including, without limitation, statements containing the words “believe”, “anticipated”, “expect”, and similar expressions. Such forward looking statements involve unknown risk, uncertainties and other factors which may cause the actual results,

financial condition, performance or achievements expressed or implied by such forward looking statements to be materially different. Factors that might cause such a difference might include, but are not limited to, those discussed in the “Risk Factors” set out in Part 4 of this document. In light of these issues, uncertainties and assumptions, the events described in the forward looking statements in this document may not occur. Subject to legal or regulatory requirements, the Company disclaims any obligation to update any such forward looking statements in this document to reflect future events or developments.

This document contains cross-references to information contained in the Competent Person’s Report set out in Part 9 of this document. The Company confirms that the information which has been extracted from the Competent Person’s Report has been accurately reproduced and that, so far as the Company is aware and is able to ascertain from the Competent Person’s Report, no facts have been omitted which would render the extracts inaccurate or misleading. The Competent Person has reviewed the information contained in this document which relates to information contained in the Competent Person’s Report and has confirmed in writing to the Company and Peel Hunt that the information presented is accurate, balanced and complete and not inconsistent with the Competent Person’s Report.

As required by the AIM Rules for Companies, the Company will update the information provided in this document by means of a supplemental admission document if a significant new factor occurs prior to Admission or if it is noted that this document contains any mistake or substantial inaccuracy. This document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

Copies of this document will be available free of charge during normal business hours on any weekday (except public holidays) at the Company’s registered office at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL from the date of this document until one month from Admission.

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KEY STATISTICS

Number of Ordinary Shares in issue following Admission	220,053,520
ISIN number	GB00B4X3Q493
AIM 'ticker'	AET
SEDOL	B4X3Q49
Legal entity identifier ("LEI")	21380028BFDFJK8BRX92

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	18 September 2023
Dealings in Ordinary Shares recommence on AIM	18 September 2023
Latest time and date for receipt of completed CREST Proxy Instruction or electronic proxy filing	10.00 a.m. 3 October 2023
Voting record time for the General Meeting	10.00 a.m. 5 October 2023
Time and date of General Meeting	5 October 2023
Completion of the Adjusted Sonangol Acquisitions	By end of Q4 2023
Completion of the Azule Acquisitions	By end of Q4 2023
Admission becomes effective and dealings in the Ordinary Shares of the Enlarged Group commence on AIM	By end of Q4 2023

Notes:

1. All of the above timings refer to London time unless otherwise stated.
2. The above statistics assume the passing at the General Meeting of the Resolutions and Admission.
3. Some of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through an RIS.
4. Admission of the Enlarged Group will become effective on Sonangol Completion. The Company will advise how and when Admission will occur as and when it is known.

DEFINITIONS

“2022 Admission Agreement”	has the meaning set out in paragraph 10 of Part 7 of this document;
“2023 Admission Agreement”	the agreement entered into among Afentra, the Directors and Peel Hunt on 18 September 2023 in connection with Admission;
“Acquisition Agreements”	the Amended Sonangol Acquisition Agreement and the Azule Acquisition Agreement;
“Acquisition Facility”	has the meaning given to it in paragraph 5 of Part 1 of this document;
“Acquisition Facility Agreement”	has the meaning given to it in paragraph 5 of Part 1 of this document;
“Acquisitions”	the Adjusted Sonangol Acquisitions and the Azule Acquisitions;
“Act”	the UK Companies Act 2006, as amended from time to time;
“Adjusted Sonangol Acquisitions”	the Adjusted Sonangol Block 3/05 Acquisition and the Block 23 Acquisition;
“Adjusted Sonangol Block 3/05 Acquisition”	the proposed acquisition of the Adjusted Sonangol Block 3/05 Interest pursuant to the terms of the Amended Sonangol Acquisition Agreement;
“Adjusted Sonangol Block 3/05 Interest”	a 14% participating interest in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05 PSA and Block 3/05 JOA;
“Admission”	admission of the Ordinary Shares of the Enlarged Group to trading on AIM becoming effective in accordance with the AIM Rules following Sonangol Completion;
“Admission Document”	this document;
“ADP”	provisional abandonment plan;
“Afentra Angola”	Afentra (Angola) Ltd, a company incorporated in England and Wales with Registered No 14048343, a member of the contractor group for each of Block 3/05 and Block 3/05A;
“AIM”	AIM, a market operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies issued by the London Stock Exchange and those of its other rules which govern the admission to trading of, and the operation of companies on, AIM;
“ALNG”	the Angola LNG plant, further details of which are set out in Part 3 of this document;
“Amended Sonangol Acquisition Agreement”	the sale and purchase agreement dated as at 20 April 2022 entered into between Afentra Angola and Sonangol (as amended from time to time and as amended and restated on 18 July 2023) in relation to the Adjusted Sonangol Acquisitions;
“Angola”	the Republic of Angola;
“Angola Japan”	Angola Japan Oil Co., Ltd., a member of the contractor group for each of Block 3/05 and Block 3/05A prior to novating its interests in those blocks to Maurel;
“Articles”	the articles of association of the Company as at the date of Admission, a summary of which is set out in paragraph 5 of Part 7 of this document;

“Azule”	Azule Energy Angola Production B.V. (formerly known as Eni Angola Production B.V.), a member of the contractor group for each of Block 3/05 and Block 3/05A;
“Azule Acquisition Agreement”	the sale and purchase agreement dated 18 July 2023 between Afentra Angola and Azule in relation to the Azule Acquisitions;
“Azule Acquisitions”	the Azule Block 3/05 Acquisition and the Azule Block 3/05A Acquisition;
“Azule Assets”	the Azule Block 3/05 Interest and the Azule Block 3/05A Interest;
“Azule Block 3/05 Acquisition”	the proposed acquisition of the Azule Block 3/05 Interest pursuant to the terms of the Azule Acquisition Agreement;
“Azule Block 3/05A Acquisition”	the proposed acquisition of the Azule Block 3/05A Interest pursuant to the terms of the Azule Acquisition Agreement;
“Azule Block 3/05 Interest”	a 12% non-operated participating interest in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05 PSA and Block 3/05 JOA;
“Azule Block 3/05A Interest”	a non-operated participating interest of 12% (and, potentially, up to 16%) in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05A PSA and Block 3/05A JOA;
“Azule Completion”	completion of the Azule Acquisitions pursuant to the terms of the Azule Acquisition Agreement (details of which are outlined in paragraph 4 of Part 1 of this document);
“Azule CPs”	has the meaning given to it in paragraph 4 of Part 1 of this document;
“Azule Escrow Agent”	has the meaning given to it in paragraph 4 of Part 1 of this document;
“Azule Escrow Agreement”	has the meaning given to it in paragraph 4 of Part 1 of this document;
“Azule GM Condition”	has the meaning given to it in paragraph 4 of Part 1 of this document;
“Azule Guarantee”	has the meaning given to it in paragraph 4 of Part 1 of this document;
“Azule Resolution”	the resolution proposed to be passed by Shareholders at the General Meeting in respect of the Azule Acquisitions, as set out in Resolution 2 in the Notice of General Meeting;
“Block 3/05”	the contract area described in and covered by the Block 3/05 PSA;
“Block 3/05 JOA”	the JOA covering Block 3/05 executed initially among Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA dated 31 October 2005;
“Block 3/05A”	the contract area described in and covered by the Block 3/05A PSA;
“Block 3/05 PSA”	the PSA covering Block 3/05, offshore Angola executed initially among the National Concessionaire, Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA dated 4 October 2005;
“Block 3/05A JOA”	the JOA covering Block 3/05A executed initially among Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA dated 28 March 2006;

“Block 3/05A PSA”	the PSA covering Block 3/05A executed initially among the National Concessionaire, Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA dated 4 October 2005;																																			
“Block 23”	the contract area described in and covered by the Block 23 PSA;																																			
“Block 23 Acquisition”	the proposed acquisition of the Block 23 Interest pursuant to the terms of the Sonangol Acquisition Agreement or the Amended Sonangol Acquisition Agreement (as the context requires);																																			
“Block 23 Interest”	a 40% participating interest in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 23 PSA;																																			
“Block 23 JOA”	the JOA executed initially among Sonangol, Oxy of Angola (Block 23), LLC, and Maersk Oil Angola AS covering Block 23 and dated 30 November 2006;																																			
“Block 23 PSA”	the PSA covering Block 23 executed initially between the National Concessionaire, Sonangol , Oxy of Angola (Block 23), LLC and Maersk Oil Angola AS dated 1 November 2006;																																			
“Business Day”	a day (other than Saturdays or Sundays or public holidays) when clearing banks are open for business in London;																																			
“Caco-Gazela Development Area”	the area delineated by the following co-ordinates:																																			
	<table border="1"> <thead> <tr> <th></th> <th>In-Line</th> <th>X-Line</th> <th>X Coord</th> <th>Y Coord</th> <th>Latitude</th> <th>Longitude</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>6480</td> <td>2800</td> <td>218,218</td> <td>9,206,425</td> <td>7° 10' 22.5" S</td> <td>12° 26' 55.4"E</td> </tr> <tr> <td>B</td> <td>5750</td> <td>4000</td> <td>213,656</td> <td>9,213,927</td> <td>7° 06' 17.6" S</td> <td>12° 24' 28.2"E</td> </tr> <tr> <td>C</td> <td>5000</td> <td>4000</td> <td>208,966</td> <td>9,213,925</td> <td>7° 06' 16.8" S</td> <td>12° 21' 55.5"E</td> </tr> <tr> <td>D</td> <td>5750</td> <td>2600</td> <td>213,625</td> <td>9,205,176</td> <td>7° 10' 22.5" S</td> <td>12° 26' 55.4"E</td> </tr> </tbody> </table>		In-Line	X-Line	X Coord	Y Coord	Latitude	Longitude	A	6480	2800	218,218	9,206,425	7° 10' 22.5" S	12° 26' 55.4"E	B	5750	4000	213,656	9,213,927	7° 06' 17.6" S	12° 24' 28.2"E	C	5000	4000	208,966	9,213,925	7° 06' 16.8" S	12° 21' 55.5"E	D	5750	2600	213,625	9,205,176	7° 10' 22.5" S	12° 26' 55.4"E
	In-Line	X-Line	X Coord	Y Coord	Latitude	Longitude																														
A	6480	2800	218,218	9,206,425	7° 10' 22.5" S	12° 26' 55.4"E																														
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C	5000	4000	208,966	9,213,925	7° 06' 16.8" S	12° 21' 55.5"E																														
D	5750	2600	213,625	9,205,176	7° 10' 22.5" S	12° 26' 55.4"E																														
“certificated” or “in certificated form”	the description of a share or other security that is not in uncertificated form (that is, not in CREST);																																			
“China Sonangol”	China Sonangol International Limited, a member of the contractor group for Block 3/05A and a former member of the contractor group for Block 3/05;																																			
“Combined Block 3/05 Interest”	together, the Azule Block 3/05 Interest, the INA Block 3/05 Interest and the Sonangol Block 3/05 Interest;																																			
“Company” or “Afentra”	Afentra plc, a company incorporated in England and Wales with Registered No 01757721;																																			
“Competent Person” or “ERCE”	ERC Equipoise Limited, a company incorporated in England and Wales with Registered No 03587074, the competent person in relation to Admission, as defined by the AIM Rules, and author of the Competent Person’s Report;																																			
“Competent Person’s Report”	the report relating to Block 3/05 produced by the Competent Person, as set out in Part 9 of this document;																																			
“Conditional Award”	has the meaning given to it in paragraph 6 of Part 7 of this document;																																			
“Corporate Event”	has the meaning given to it in paragraph 6 of Part 7 of this document;																																			
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as also defined in the CREST Regulations);																																			
“CREST Manual”	the rules governing the operation of CREST, as published by Euroclear;																																			

“CREST Proxy Instruction”	has the meaning given to it in Part 8 of this document;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time);
“Crowe”	Crowe U.K. LLP;
“Directors” or “Board”	the directors of the Company as at the date of this document whose names appear on page 20 against the heading “Directors”, and “Director” means any one of them;
“Elf Petroleum”	Elf Petroleum (now a part of TotalEnergies SE group);
“Enlarged Group”	the Group as enlarged upon Sonangol Completion;
“Euroclear”	Euroclear UK & International Limited, the operator of CREST;
“ESG”	environmental, social and governance;
“Etu Energias”	Etu Energias, S.A. (formerly known as Somoil – Sociedade Petrolífera Angolana S.A.), a member of the contractor group for each of Block 3/05 and Block 3/05A;
“EUWA”	the European Union (Withdrawal) Act 2018;
“Financial Conduct Authority” or “FCA”	the United Kingdom Financial Conduct Authority, the statutory regulator under FSMA responsible for the regulation of the United Kingdom financial services industry;
“First Measurement Date”	16 March 2024;
“Fiscal Terms”	means the fiscal terms incorporated in the Block 3/05 PSA as set out in further detail in paragraph 10.18 of Part 7 of this document which will be superseded by the Updated Fiscal Terms once the addendum to the Block 3/05 PSA is executed following its approval by Presidential Decree;
“Founders Plan”	has the meaning given to it in paragraph 17 of Part 1 of this document;
“Founders Plan Awards”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“General Meeting”	the general meeting of the Company to be held electronically on https://web.lumiagm.com/ at 10 a.m. on 5 October 2023 (and any adjournment of such meeting), notice of which is set out at Part 8 of this document;
“GHG”	greenhouse gasses;
“Group”	Afentra and its subsidiaries as at the date of this document;
“HMRC”	HM Revenue and Customs;
“INA”	INA – Indústria Nafta, d.d., a member of the contractor group for each of Block 3/05 and Block 3/05A prior to novating its interests in those blocks to Afentra Angola;
“INA Acquisition Agreement”	the sale and purchase agreement dated 18 July 2022 between Afentra Angola and INA in relation to the INA Acquisitions;
“INA Acquisitions”	the INA Block 3/05A Acquisition and the INA Block 3/05 Acquisition;
“INA Assets”	the INA Block 3/05A Interest and the INA Block 3/05 Interest;
“INA Block 3/05 Interest”	a 4% non-operated participating interest in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05 PSA and Block 3/05 JOA;

“INA Block 3/05 Acquisition”	the acquisition of the INA Block 3/05 Interest pursuant to the terms of the INA Acquisition Agreement;
“INA Block 3/05A Acquisition”	the acquisition of the INA Block 3/05A Interest pursuant to the terms of the INA Acquisition Agreement;
“INA Block 3/05A Interest”	a non-operated participating interest of 4% (and, potentially, up to 5.33%) in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05A PSA and Block 3/05A JOA;
“INA Completion”	completion of the INA Acquisitions pursuant to the terms of the INA Acquisition Agreement (details of which are outlined in paragraph 10.6 of Part 7 of this document);
“INA Escrow Agent”	has the meaning given to it in paragraph 10.7 of Part 7 of this document;
“INA Escrow Agreement”	has the meaning given to it in paragraph 10.7 of Part 7 of this document;
“INA Guarantee”	has the meaning given to it in paragraph 10.8 of Part 7 of this document;
“Initial Awards”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Initial Price”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“IOCs”	international oil companies;
“ISIN”	international security identification number;
“JOA”	joint operating agreement;
“LAP”	Law No. 10/04 of 12 November 2004 as amended, which regulates the petroleum activities in Angola, including the articles that were amended by Law No. 5/19 of 18 April 2019;
“Lock-in Agreements”	has the meaning given to it in paragraph 18 of Part 1 of this document;
“London Stock Exchange”	London Stock Exchange plc;
“LTIP”	has the meaning given to it in paragraph 17 of Part 1 of this document;
“LTIP Awards”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Maurel”	Maurel & Prom Angola, S.A.S., a member of the contractor group for each of Block 3/05 and Block 3/05A;
“Measurement Dates”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Measurement Total Shareholder Return”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“MIREMPET”	the Ministry of Natural Resources, Petroleum and Gas of Angola;
“National Concessionaire” or “ANPG”	the National Concessionaire appointed by the State of Angola, at the date of this document being Agência Nacional de Petróleo, Gás e Biocombustíveis (ANPG) a public legal person created pursuant to the Presidential Decree No. 49/19 of 6 February, 2019, and appointed pursuant to Law No. 5/19 of 18 April 2019, as title holder of the mining rights of Exploration, Development and Production of liquid and gaseous hydrocarbons in Angola;

“New Equity Awards”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Nil Cost Option”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“NIS”	NIS Jsc Novi Sad (formerly known as Nis – NAFTAGAS) a member of the contractor group for each of Block 3/05 and Block 3/05A;
“Nomad and Broker Agreement”	the nominated adviser and broker agreement entered into among the Company, the Directors and Peel Hunt on 13 July 2022;
“Notice of General Meeting”	the notice convening the General Meeting set out in Part 8 of this document;
“Odewayne Block”	the contract area described in and covered by the Odewayne PSA;
“Odewayne JOA”	means the joint operating agreement dated 2 October 2013 between Petrosoma Limited, Jacka Resources Somaliland Limited and Genel Energy Somaliland Limited relating to the Odewayne Block in Somaliland;
“Odewayne PSA”	means the production sharing agreement, as amended from time to time, dated 6 October 2006 between the Government of Somaliland, Genel Energy Somaliland Limited, Petrosoma Limited and Afentra Energy (East Africa) Limited relating to the Odewayne Block in Somaliland;
“OFAC”	the US Department of Treasury’s Office of Foreign Assets Control;
“OPEC”	the Organisation of the Petroleum Exporting Countries;
“Option” or “Options”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Ordinary Shares”	ordinary shares of £0.10 each in the capital of the Company;
“PdVSA”	Petróleos de Venezuela, S.A;
“Peel Hunt”	Peel Hunt LLP, nominated adviser and joint broker to the Company;
“Performance Share Award”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Plan Period”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Pro Forma Financial Information”	the unaudited <i>pro forma</i> financial information of the Company as at 30 June 2023;
“Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and 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;
“PSA”	Production Sharing Agreement;
“Punja Development Area”	The area delineated by the following coordinates:

	In-Line	X-Line	X Coord	Y Coord	Latitude	Longitude
A	500	700	205,369	9,219,291	7° 03' 21.5" S	12° 19' 59.3"E
B	50	700	210,123	9,229,488	6° 57' 50.7" S	12° 22' 36.0"E
C	50	250	205,029	9,231,872	6° 56' 32.2" S	12° 19' 50.6"E
D	350	250	201,856	9,225,063	7° 00' 13.1" S	12° 18' 06.0"E
E	500	450	202,536	9,220,613	7° 02' 38.0" S	12° 18' 27.3"E

“QCA Corporate Governance Code”	the Corporate Governance Code for Small and Mid-Size Quoted Companies 2018, published by the Quoted Companies Alliance, as amended from time to time;
“Registrars”	Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL;
“Registrars Agreement”	means the agreement entered into between the Company and the Registrar dated 10 August 2022;
“Remuneration Committee”	has the meaning given to it in paragraph 17 of Part 1 of this document;
“Resolutions”	the Sonangol Resolution and the Azule Resolution;
“Restricted Share Award”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“RIS”	a regulatory information service;
“Second Measurement Date”	16 March 2025;
“Securities Act”	United States Securities Act of 1933 (as amended);
“SEDOL”	Stock Exchange Daily Official List;
“Share Plans”	has the meaning given to it in paragraph 17 of Part 1 of this document;
“Shareholders”	holders of Ordinary Shares;
“SOFR”	the Secured Overnight Financing Rate;
“Somaliland”	the Republic of Somaliland;
“Sonangol”	Sonangol Pesquisa e Produção, S.A.;
“Sonangol Acquisition Agreement”	the sale and purchase agreement dated as at 20 April 2022 entered into between Afentra Angola and Sonangol in relation to the Sonangol Acquisitions, as amended from time to time and as amended and restated on 18 July 2023;
“Sonangol Acquisitions”	the Sonangol Block 3/05 Acquisition and the Block 23 Acquisition;
“Sonangol Assets”	the Sonangol Block 3/05 Interest and the Block 23 Interest;
“Sonangol Block 3/05 Acquisition”	the proposed acquisition of the Sonangol Block 3/05 Interest pursuant to the terms of the Sonangol Acquisition Agreement;
“Sonangol Block 3/05 Interest”	a 20% participating interest in the rights, interests, benefits, liabilities and obligations associated with or attaching to the Block 3/05 PSA and Block 3/05 JOA;
“Sonangol Completion”	completion of the Adjusted Sonangol Acquisitions pursuant to the terms of the Amended Sonangol Acquisition Agreement (details of which are outlined in paragraph 3 of Part 1 of this document);
“Sonangol CPs”	has the meaning given to it in paragraph 3 of Part 1 of this document;
“Sonangol EP”	Sociedade Nacional de Combustíveis de Angola, Empresa Pública;
“Sonangol GM Condition”	has the meaning given to it in paragraph 3 of Part 1 of this document;
“Sonangol Resolution”	the resolution proposed to be passed by Shareholders at the General Meeting in respect of the Adjusted Sonangol Acquisitions, as set out in Resolution 1 in the Notice of General Meeting;
“Target Assets”	the Azule Assets and the Sonangol Assets;

“Takeover Code” or “Code”	the UK City Code on Takeovers and Mergers;
“Takeover Panel”	the Panel on Takeovers and Mergers;
“Tennyson”	Tennyson Securities, joint broker to the Company;
“Third Measurement Date”	16 March 2026;
“Threshold”	an amount equal to the average closing price of an Ordinary Share over the 30-day period ending immediately before the start of the Plan Period, multiplied by the applicable Measurement Date;
“Total Allocation”	has the meaning given to it in paragraph 6 of Part 7 of this document;
“Trafigura”	Trafigura Pte Ltd;
“Trafigura Offtake Agreement”	has the meaning given to it in paragraph 7 of Part 1 of this document;
“uncertificated” or “in uncertificated form”	Ordinary Shares held in uncertificated form in CREST, title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK MAR”	the UK version of the EU Market Abuse Regulation (596/2014) as it forms part of the retained EU law as defined in the EUWA;
“UK Prospectus Regulation”	the UK version of the Prospectus Regulation as it forms part of Domestic law by virtue of the EUWA;
“Updated Fiscal Terms”	means the proposed updated fiscal terms in respect of the Block 3/05 PSA as set out in further detail in paragraphs 10.18.4 and 10.18.8 of Part 7 of this document and which are set out in the initialed addendum to the Block 3/05 PSA which is to be executed following its approval by Presidential Decree;
“US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“VAT”	Value Added Tax;
“Working Capital Facility”	has the meaning given to it in paragraph 6 of Part 1 of this document;
“Working Capital Facility Agreement”	has the meaning given to it in paragraph 6 of Part 1 of this document;
“US\$” or “US Dollars”	the lawful currency of the US; and
“£” or “Sterling”	the lawful currency of the United Kingdom.

GLOSSARY

Term	Definition
1C	Denotes low estimate of Contingent Resources.
2C	Denotes best estimate of Contingent Resources.
3C	Denotes high estimate of Contingent Resources.
1P	Denotes low estimate of Reserves (i.e., Proved Reserves). Equal to P1.
2P	Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves.
3P	Denotes high estimate of Reserves. The sum of Proved plus Probable plus Possible Reserves.
1U	Denotes the unrisks low estimate qualifying as Prospective Resources.
2U	Denotes the unrisks best estimate qualifying as Prospective Resources.
3U	Denotes the unrisks high estimate qualifying as Prospective Resources.
Accumulation	An individual body of naturally occurring petroleum in a reservoir.
C1	Denotes low estimate of Contingent Resources. C1 is equal to 1C.
C2	Denotes Contingent Resources of same technical confidence as Probable, but not commercially matured to Reserves.
C3	Denotes Contingent Resources of same technical confidence as Possible, but not commercially matured to Reserves.
Chance of Commerciality	The estimated probability that the project will achieve commercial maturity to be developed. For Prospective Resources, this is the product of the chance of geologic discovery and the chance of development. For Contingent Resources and Reserves, it is equal to the chance of development.
Chance of Development	The estimated probability that a known accumulation, once discovered, will be commercially developed.
Chance of Geologic Discovery	The estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum.
FSO	Floating storage and offloading.
Low/Best/High Estimate	Reflects the range of uncertainty as a reasonable range of estimated potentially recoverable quantities.
P1	Denotes Proved Reserves. P1 is equal to 1P.
P2	Denotes Probable Reserves.
P3	Denotes Possible Reserves.
Petroleum Initially-in-Place (PIIP)	The total quantity of petroleum that is estimated to exist originally in naturally occurring reservoirs, as of a given date. Crude oil in-place, natural gas in-place, and natural bitumen in-place are defined in the same manner.
Recoverable Resources	Those quantities of hydrocarbons that are estimated to be producible by the project from either discovered or undiscovered accumulations.

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. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorised in accordance with the level of certainty associated with the estimates as 1P, 2P and 3P.

Uncertainty

The range of possible outcomes in a series of estimates. For recoverable resources assessments, the range of uncertainty reflects a reasonable range of estimated potentially recoverable quantities for an accumulation or project.

Units and their abbreviations

°C	degrees Celsius
°F	degrees Fahrenheit
bbbl	barrel
bbbl/d	barrels per day
btu/scf	british thermal units per standard cubic feet
Bscf	thousands of millions of standard cubic feet
boe	barrels of oil equivalent
bopd	barrels of oil per day
cp	centipoises
ft	feet
ft MDRKB	feet below Kelly Bushing
ftTVDSS	feet subsea
km	kilometres
m	metres
M or MM	thousands and millions respectively
md	millidarcy
Mmstb	million stock tank barrels of oil
mTVDSS	metres subsea
ppm	parts per million
psia	pounds per square inch absolute
psig	pounds per square inch gauge
pu	porosity unit
rcf	cubic feet at reservoir conditions
rb	reservoir barrels
scf	standard cubic feet measured at 14.7 pounds per square inch and 60 degrees Fahrenheit
scf/d	standard cubic feet per day
stb	a stock tank barrel which is 42 US gallons measured at 14.7 pounds per square inch and 60 degrees Fahrenheit
stb/d	stock tank barrels per day

Terms and their abbreviations

ABEX	means abandonment cost
ABS	American Bureau of Shipping
AOE	Additional Oil Entitlement
B_g	gas formation volume factor, in scf/rcf
BHA	bottom hole assembly
BPU	base Permian Unit
C&P	cased and perforated (completion)
CALM	catenary anchor leg mooring
CAPEX	means capital cost
CGR	condensate gas ratio
CMR	combinable magnetic resonance
CO₂	carbon dioxide
CoP	cessation of production
CPI	computer processed information log
DCA	decline curve analysis
DST	drill stem test
E_g	gas expansion factor
ELT	economic limit test
EoS	Equation of state
EUR	expected ultimate recovery
FBHP	Flowing bottom hole pressure
FDP	field development plan
FEED	front end engineering design
FOB	free on board
FTHP	flowing tubing head pressure
FPSO	means floating production storage and offloading vessel
FVF	formation volume factor
FWL	free water level
GDT	gas down to
GEF	gas expansion factor
GHV	gross heating value of gas
GIIP	gas initially in place
GOC	gas oil contact
GOR	gas oil ratio
GP	gas production well
GRV	gross rock volume
GSA	means gas sales agreement
GWC	gas water contact
H₂S	hydrogen sulphide

HCPV	hydrocarbon pore volume
HLV	Heavy Lift Vessel
ICV	inflow control valve
kh	permeability thickness
Kr	relative permeability
MD	measured depth
MDT	Modular Dynamics Tester
MFWL	mean free water level
MSL	mean sea level
N₂	nitrogen
NFA	no further activity
NPV xx	net present value at xx discount rate
NTG	net to gross ratio
NUI	normally unmanned installation
OOS	oil offloading system
O&M	operations and maintenance
OPEX	means operating cost
Phi	porosity
Phie	effective porosity
Phit	total porosity
PI	productivity index, in stb/d/psi for oil or MMscf/d/psi or Mscf/d/psi for gas
PIIP	petroleum initially in place
PoD	Plan of Development
PSDM	post stack depth migration
PSTM	post stack time migration
PVT	pressure volume temperature experiment
Raw Gas	Producible gas prior to the removal of fuel and flare volumes
RCA	routine core analysis
RF	recovery factor
RFT	repeat formation tester
RTA	rate transient analysis
Rw	water resistivity
SCAL	special core analysis
SHF	saturation height function
SNA	means sum of negative amplitudes
ss	means sub-sea
STOIIP	stock tank oil initially in place
SURF	subsea, umbilicals, risers and flowlines (subsea equipment)
Sw	water saturation

Swc	connate water saturation
Swirr	irreducible water saturation
TD	total depth
THP	tubing head pressure
TOC	total organic content
TRP	Turret remediation project
TRR	Technically Recoverable Resources
TVD	true vertical depth
TWT	two way time
Vsh	volume of shale
WGR	water gas ratio
WOR	water oil ratio
WUT	water up to

DIRECTORS, SECRETARY AND ADVISERS

Directors	Jeffrey Saunders MacDonald (Non-Executive Chairman) Gavin Hugh Lothian Wilson (Independent, Non-Executive Director) Thierry André Nicolas Yao Tanoh (Independent, Non-Executive Director) Paul McDade (Chief Executive Officer) Ian Richard Cloke (Chief Operating Officer) Anastasia Deulina (Chief Financial Officer) <i>whose business addresses are at the Company's registered office</i>
Company Secretary	Richard Andrew Cliff <i>whose business address is at the Company's registered office</i>
Registered office	High Holborn House 52-54 High Holborn London England WC1V 6RL
Nominated Adviser and Joint Broker	Peel Hunt LLP 100 Liverpool Street London EC2M 2AT
Joint Broker	Tennyson Securities 65 Petty France London SW1H 9EU
Reporting Accountants	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Solicitors to the Company (English law)	Pinsent Masons LLP 30 Crown Place Earl Street London, EC2A 4ES
Solicitors to the Company (Angolan law)	PLMJ Advogados, SP, RL, acting through PLMJ Colab Angola – RVA Advogados PLMJ: Av. Fontes Pereira de Melo, 43 1050-119 Lisboa Portugal PLMJ Colab Angola – RVA Advogados: Edifício Escom, Piso 13, Fração B, R. Marechal Brós Tito, 35-37 Luanda, Angola
Solicitors to the Company (Somaliland law)	Smart Code Law Firm 252, 26 th June Avenue Road, opp Hargeisa Group Hospital Hargeisa Somaliland
Solicitors to the Nominated Adviser	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT

Competent Person	ERC Equipoise Limited Eastbourne House 2 Saxbys Lane Lingfield Surrey RH7 6DN
PR Advisers	Buchanan Communications Limited 107 Cheapside London EC2V 6DN
Registrars	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL
Company website	https://afentraplc.com

PART 1

LETTER FROM THE NON-EXECUTIVE CHAIRMAN

Registered Office
High Holborn House
52-54 High Holborn
London
England
WC1V 6RL

18 September 2023

To Shareholders and, for information only, to persons with information rights

Dear Shareholder

Proposed Acquisition of Oil & Gas Interests in Angola Admission of Enlarged Group to trading on AIM and Notice of General Meeting

1 INTRODUCTION

Afentra was launched in 2021 to support the African energy transition as a responsible, well managed independent oil and gas company, assisting in the continued economic and social development of African economies through responsible management of their oil and gas assets and bridging the gap to renewable and other sustainable forms of energy.

The Company, believes that Africa's strong economic growth, alongside its increasing population, will create long-term oil and gas demand despite the structural evolution of the global energy system and sees a significant opportunity to drive responsible growth and prosperity for all stakeholders.

Afentra aims to access, redevelop and maximise the full potential of existing producing fields and undeveloped discoveries that no longer fit the portfolio of IOCs and host governments in a safe, responsible and sustainable manner. By investing in the region and working with its partners, the Company believes that it can positively impact local communities and deliver significant economic returns to all stakeholders.

In line with its stated strategy, the Company announced:

- on 28 April 2022 that its wholly owned subsidiary, Afentra Angola, had signed the Sonangol Acquisition Agreement with Sonangol to purchase the Sonangol Block 3/05 Interest (of 20%) for an initial cash consideration of US\$80 million, together with contingent payments of up to US\$50 million in aggregate, and the Block 23 Interest (of 40%) for an upfront cash consideration of US\$0.5 million. The Company then announced on 19 July 2023 that it had agreed to reduce the working interest it will purchase in Block 3/05 from 20% to 14%, as set out in the Amended Sonangol Acquisition Agreement, together with a *pro rata* reduction in consideration but no other changes in terms;
- on 10 May 2023 that its wholly owned subsidiary, Afentra Angola, had completed the INA Acquisitions of the 4% participating interest in the INA Block 3/05 Interest and up to 5.33% participating interest in the INA Block 3/05A Interest. At completion of the INA Acquisitions, Afentra Angola paid US\$17.0 million of consideration, comprising US\$12.0 million initial consideration, US\$2 million crystallised contingent consideration and a US\$3.0 million net working capital and interest payment. A further US\$10.0 million was paid to INA on 17 May 2023 following the extension of the Block 3/05 PSA. At completion Afentra Angola inherited an oil inventory of 207,868 barrels, which it sold in August together with its share of oil produced from Block 3/05 since completion of the INA Acquisitions. The sales price inclusive of the Brent premium was \$88/bbl, generating pre-tax sales of \$26.4 million net to Afentra Angola; and

- on 19 July 2023 that its wholly owned subsidiary, Afentra Angola, had signed the Azule Acquisition Agreement with Azule to purchase the Azule Block 3/05 Interest (of 12%) and the Azule Block 3/05A Interest (of up to 16%) for an initial consideration of US\$48.5 million, together with contingent payments of up to US\$36 million.

Pursuant to Rule 14 of the AIM Rules, each of the Acquisitions is currently of a size or nature such that they constitute a reverse takeover. Accordingly, the Adjusted Sonangol Acquisitions are conditional upon, *inter alia*, the Sonangol Resolution being passed at the General Meeting and receipt of regulatory approvals. Further details on the Adjusted Sonangol Acquisitions are set out in paragraph 3 of Part 1 of this document.

Further the Azule Acquisitions are conditional upon, *inter alia*, the Azule Resolution being passed at the General Meeting and receipt of regulatory approvals. Further details on the Azule Acquisitions are set out in paragraph 4 of Part 1 of this document.

If the Resolutions are duly passed at the General Meeting and the other Sonangol CPs are met, then, following Sonangol Completion, it is expected that the Enlarged Group will be admitted to trading on AIM by the end of 2023.

On Sonangol Completion the Company will be required to publish a supplementary admission document pursuant to the AIM Rules.

The Directors believe that the Acquisitions are in the best interests of the Company and Shareholders as a whole and recommend that Shareholders vote in favour of the Resolutions at the General Meeting. The Directors intend to vote in favour of the Resolutions in respect of their beneficial holdings of Ordinary Shares, comprising an aggregate number of 9,245,939 Ordinary Shares (being 4.20 per cent. of the Ordinary Shares).

The purpose of this document, which comprises an Admission Document prepared under the AIM Rules, is to provide you with information on the Acquisitions ahead of the General Meeting and Admission. You should read the whole of this document and your attention is drawn, in particular to the risk factors set out in Part 4 of this document.

Target Assets Summary Adjusted Sonangol Acquisitions

Licence	Operator	Interest to be acquired (%)	Status	Licence expiry date
3/05	Sonangol	14	Production	31 December 2040
23	Sonangol	40	Exploration	2 December 2026

Target Assets Summary Azule Acquisitions

Licence	Operator	Interest to be acquired (%)	Status	Licence expiry date
3/05	Sonangol	12	Production	31 December 2040
3/05A	Sonangol	16*	Production (Caco-Gazela) / Development (Punja)	February 2035** –

* 4.0% of this interest is subject to China Sonangol's exit from the Block 3/05A PSA and the subsequent allocation of its interest pro rata between the other contractor group members.

** This expiry date applies only to the Caco-Gazela Development Area Licence; the Punja Development Area Licence was extended by Executive Decree 465/18 on 22 October 2018 until the date falling 20 years after first lifting (expected in 2025). The Company is assuming the date Caco-Gazela Development Area Licence expiry based on the first production date. The Company has no evidence of the date of commercial discovery of Caco-Gazela Development Area.

2 BACKGROUND TO, AND REASONS FOR, ACQUISITIONS

In line with Afentra's objective of capitalising on the opportunities that will result from the accelerating divestment of producing assets and discoveries by IOCs and host governments in Africa and thereby supporting an effective and just energy transition for the continent, the Company has, since its launch in 2021, been highly focussed on identifying and pursuing appropriate acquisition opportunities.

From the outset, the Company has adopted a highly disciplined approach to the execution of this strategy to ensure that each acquisition that it pursues is consistent with the strategy and satisfies its criteria for investment. These criteria cover technical, operational and environmental considerations, as well as the commercial requirement to deliver value accretive deals to the Company's shareholders. The Company has leveraged well-established relationships with IOCs, debt providers and host governments in seeking out acquisition opportunities consistent with its strategy, and has been, and continues to be, involved in ongoing market sale processes as well as proactively making approaches to acquire "off-market" assets.

Following the announcement by Sonangol in June 2021 of the launch of a tender process for the partial divestment by Sonangol of its participating interests in a number of oil concessions in Angola, the Company submitted an expression of interest to purchase the Sonangol Block 3/05 Interest and the Sonangol Block 23 Interest in October 2021. Following a period of negotiation with Sonangol, Afentra Angola signed the Sonangol Acquisition Agreement on 20 April 2022. The Sonangol Acquisition Agreement was amended and restated on 18 July 2023 on the terms of the Amended Sonangol Acquisition Agreement, which has an effective date of 20 April 2022.

In furtherance of the Company's stated strategy, the Company entered into the Azule Acquisition Agreement on 18 July 2023. The Azule Acquisition Agreement has an effective date of 1 October 2022.

In addition to the aforementioned Acquisitions, the Company completed its first acquisitions, the INA Acquisitions, on 10 May 2023. The INA Acquisitions met the Company's acquisition criteria and, together with the Acquisitions, constitute material progress for the Company in the execution of its strategy.

The Directors believe that the Acquisitions provide the following benefits:

*High quality production assets with material scope for improvements**

The Acquisitions give the Company significant interests in high quality, shallow water, long life production assets with stable and robust cash flow and material growth potential. The Acquisitions span the E&P lifecycle from exploration and development through to a mature production base and deliver a significant foundation asset within a highly attractive West African jurisdiction. Although current emissions are high on these assets, the Company sees significant scope for improvement and will work with its partners to increase momentum and prioritise emissions reduction opportunities.

The Acquisitions are expected by the Directors to be immediately cash flow and value accretive post-completion. In 2022, the average daily gross production from Block 3/05 was 18,660 stb/d, 9% higher than the 2021 production of 17,080 stb/d. Gross production in 2023 through to end of June averaged 18,000 stb/d representing approximately 5,400 stb/d net to Afentra, of which approximately 2,520 stb/d are attributable to the Sonangol Block 3/05 Acquisition, approximately 2,160 stb/d are attributable to the Azule Block 3/05 Acquisition and 720 stb/d are attributable to the interests purchased previously from INA. Reserves replacement in the first half of 2023 has been in excess of 150% (based on a management calculation)**. The implied initial acquisition cost for the Combined Block 3/05 Interest is approximately US\$3.4/2P bbl.

*Acquisition of Reserves**

As the Company currently only has limited Reserves associated with the INA Assets, the Acquisitions will represent a material increase in scale for the Company. The 2P Reserves attributable to the Adjusted Sonangol Block 3/05 Interest as of 30 June 2023 are projected to amount to approximately 15.3 MMstb (this estimate is derived from the Competent Person's Report) and, in respect of the Azule Block 3/05 Interest, are projected to amount to approximately 13.1 MMstb (this estimate is derived from the Competent Person's Report). In addition, the Directors believe that the Acquisitions offer material opportunities to increase Reserves and production from the Combined Block 3/05 Interest as Block 3/05 is estimated to have oil in place in excess of 3.157 billion barrels (this estimate is derived from the Competent Person's Report).

* The Reserves and production figures for the Target Assets set in the two paragraphs above are presented on a working interest basis.

** Based on a management calculation, using the Block 3/05 2P reserves from the Competent Person's Report effective 30 June 2023 and operator's production reports.

Enhanced profile

The Directors believe that the successful completion of the Acquisitions, together with the previous completion of the INA Acquisitions, will result in the Company acquiring an increased profile and prominence both in Angola and West Africa more generally, enhancing its ability to make further acquisitions and attract additional funding.

Market entry to Angola

The Company's entry to Angola lays the foundations for a significant core asset base in West Africa which the Company will work to increase. Angola is Sub-Saharan Africa's second largest crude oil producer, with average production in 2022 of 1.16 million bopd, and has a well-established oil and gas industry. The Sonangol Acquisitions process has enabled Afentra to engage with major governmental and regulatory stakeholders in Angola and to build a strong relationship with Sonangol. The Directors believe that this will enhance the Company's ability to make further acquisitions in Angola and across West Africa.

No Shareholder dilution

The consideration payable by the Company for the Acquisitions and the INA Acquisitions has been structured to have a material contingent consideration component, with the initial consideration anticipated to be further reduced by cash flow from the Combined Block 3/05 Interests during the period from the respective effective dates to completion. These two factors allow the Company to fully fund the initial consideration for each Acquisition from cash on balance sheet and the Acquisition Facility (details of which are contained in paragraph 5 of this Part 1). The Directors further expect to be able to meet the future contingent cash consideration for each Acquisition (as well as the future contingent cash consideration for the INA Acquisition) from the net cash flows from the relevant Block 3/05 Interest following completion of the relevant Acquisition. As a consequence, the Company is not required to obtain additional equity funding and, therefore, Shareholders will not be diluted as a result of the Acquisitions.

The Acquisitions are not inter-conditional

The Company anticipates that Azule Completion and Sonangol Completion will each occur in Q4 2023 but it is not clear at present which of them will occur first (given the different conditions to completion in each case).

The Acquisitions are not inter-conditional. In the event that a Sonangol CP cannot be satisfied and Sonangol Completion does not occur, Azule Completion can still occur (subject only to satisfaction of the Azule CPs). In the event that an Azule CP cannot be satisfied and Azule Completion does not occur, Sonangol Completion can still occur (subject only to satisfaction of the Sonangol CPs).

3 PRINCIPAL TERMS OF THE ADJUSTED SONANGOL ACQUISITIONS

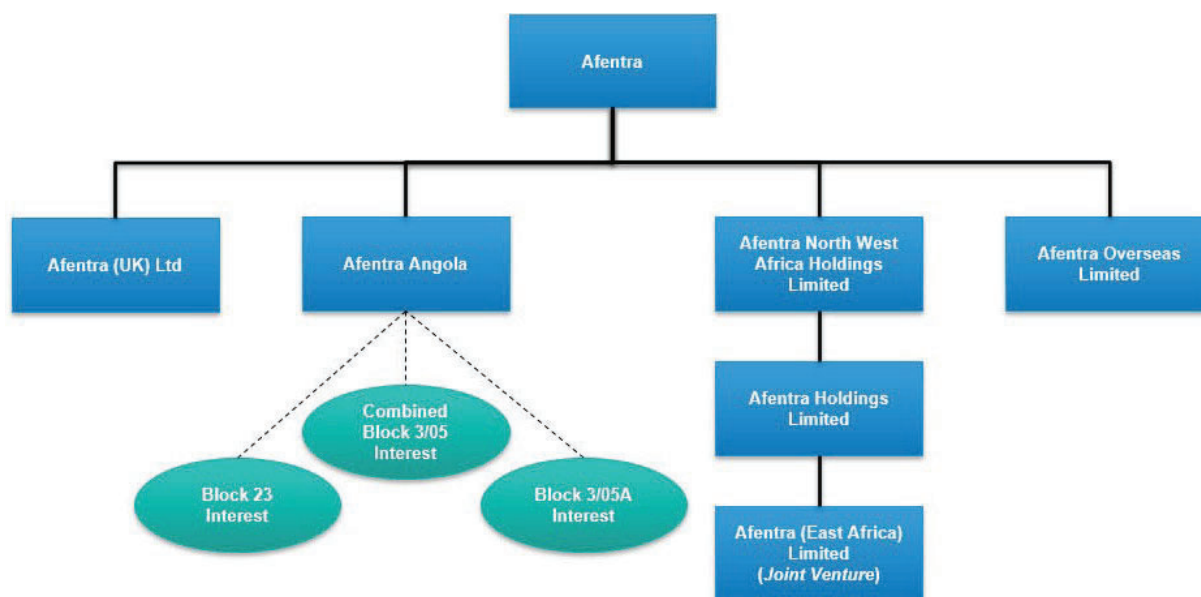


Figure 1.1 – anticipated Group structure following Sonangol Completion*

* Structure assumes Sonangol Completion occurs before Azule Completion. It is however possible that Azule Completion may occur before Sonangol Completion.

Amended Sonangol Acquisition Agreement

Pursuant to the Amended Sonangol Acquisition Agreement, Afentra Angola has conditionally agreed to acquire the Adjusted Sonangol Block 3/05 Interest and the Block 23 Interest. The Adjusted Sonangol Acquisitions represent a significant step in the evolution of the Company through the acquisition of an additional material interest in Block 3/05.

The initial consideration for the Sonangol Acquisitions is to be entirely funded by cash on the balance sheet and the Acquisition Facility, with a material component of the initial consideration being financed from the net cash flows from the Sonangol Block 3/05 Interest from 20 April 2022 to Sonangol Completion. The remaining portion of the total consideration is contingent and will be funded from net cash flows from the Sonangol Block 3/05 Interest after Sonangol Completion. The consideration for the Sonangol Acquisitions is made up of the following elements:

- an initial cash consideration payable at the date of Sonangol Completion of US\$80 million in respect of the Sonangol Block 3/05 Acquisition which was amended pursuant to the terms of the Amended Sonangol Acquisition Agreement to US\$56 million, as a result of the working interest being acquired by the Company reducing from 20% to 14%. The Adjusted Sonangol Block 3/05 Acquisition is structured, however, such that Afentra Angola is entitled to any net positive cashflows from the Adjusted Sonangol Block 3/05 Interest during the interim period between the effective date of the Sonangol Acquisitions (20 April 2022) and the date of Sonangol Completion which, in light of the Sonangol CPs, is not expected to be until Q4 2023; and
- contingent consideration of up to US\$35 million is payable to Sonangol over a ten-year period, which commenced on 1 January 2023 and ending on 31 December 2032. At the end of each year in such period, Afentra Angola will be required to pay Sonangol a fixed amount of US\$3.5 million if:
 - the average gross daily production from Block 3/05 in that year was equal to or greater than 15,000 bopd; and
 - the Dated Average Daily Brent Price (as defined in the Sonangol Acquisition Agreement) in that year was US\$65/bbl or higher.

If either condition is not satisfied in respect of any year during the ten-year period, then no contingent consideration will be payable in respect of that year. The maximum contingent consideration payable in respect of any year is US\$3.5 million. The Directors anticipate that any contingent consideration that becomes payable will be capable of being satisfied out of net cash flows from the Adjusted Sonangol Block 3/05 Interest.

Cash consideration of US\$0.5 million is payable upon Sonangol Completion in respect of the Block 23 Acquisition.

The Company is in the process of extending the bank guarantee issued to Sonangol in respect of the cash deposit in respect of the Sonangol Acquisitions that would otherwise have been required to be paid shortly after the signing of the Sonangol Acquisition Agreement. The amount guaranteed under the extended bank guarantee will be reduced to US\$5.6 million reflecting the new deposit that would otherwise have been payable under the Amended Sonangol Acquisition Agreement. This guarantee will be fully cash collateralised by the Company and Sonangol will be entitled to call on the bank guarantee in the event that either: (i) Afentra Angola does not pay such amount to Sonangol at Sonangol Completion as part of the initial consideration; or (ii) Sonangol Completion does not occur as a result of a breach by Afentra Angola of its obligations under the Amended Sonangol Acquisition Agreement.

As at the date of this document, completion of the Sonangol Acquisitions under the Amended Sonangol Acquisition Agreement remains conditional *inter alia* on the following (the “**Sonangol CPs**”):

- the publication in the Diário da República of an executive decree of MIREMPET authorising the Sonangol Acquisitions;
- receipt of approval of the Sonangol Acquisitions from the National Concessionaire;
- formal novation documents in respect of the Sonangol Acquisitions having been agreed between Afentra Angola, Sonangol, the National Concessionaire and, in respect of the Sonangol Block 3/05 Acquisition, the other participating interest holders in Block 3/05; and
- the passing of the Sonangol Resolution at the General Meeting (the “**Sonangol GM Condition**”).

It is anticipated that Completion will take place in Q4 2023.

In addition to the Sonangol CPs, each of Afentra Angola and Sonangol is entitled to terminate the Amended Sonangol Acquisition Agreement before Sonangol Completion in the event that: (i) the representations and warranties given by the other party are not correct in all material respects at the dates they are given; or (ii) the other party has not performed or complied in all material respects with its obligations under the Amended Sonangol Acquisition Agreement; or (iii) the outstanding Sonangol CPs are not satisfied or waived by 31 December 2023. If it appears likely that any of the outstanding Sonangol CPs will not be fulfilled by 31 December 2023, Afentra Angola will seek to agree an extension to such long stop date with Sonangol in advance as it has done to date.

The Amended Sonangol Acquisition Agreement also contains customary warranties for a transaction of this nature in relation to the Sonangol Assets from Sonangol.

Decommissioning liabilities

The current ADP for Block 3/05 (approved in 2012) estimates abandonment costs at US\$574 million, of which US\$554 million has been funded. Funding of the shortfall is subject to the approval of a revised ADP. The Competent Person’s Report estimates abandonment costs for Block 3/05 at US\$745 million.

Sonangol EP, as former national concessionaire, currently holds the majority of the decommissioning cost funds provided by Sonangol. Sonangol EP should have transferred all funded abandonment costs for Block 3/05 to ANPG upon the latter being appointed to the role of National Concessionaire in 2019. Save for US\$20.09 million in the escrow account, the Company has not been provided with any evidence that Sonangol EP has transferred these funds. Procedural delays in the transfer of escrow funds are a known risk in the Angolan oil industry and the timeline for the transfer is unclear.

Block 23 is still within the exploration phase. No development plan or abandonment plan exists.

4 PRINCIPAL TERMS OF THE AZULE ACQUISITIONS

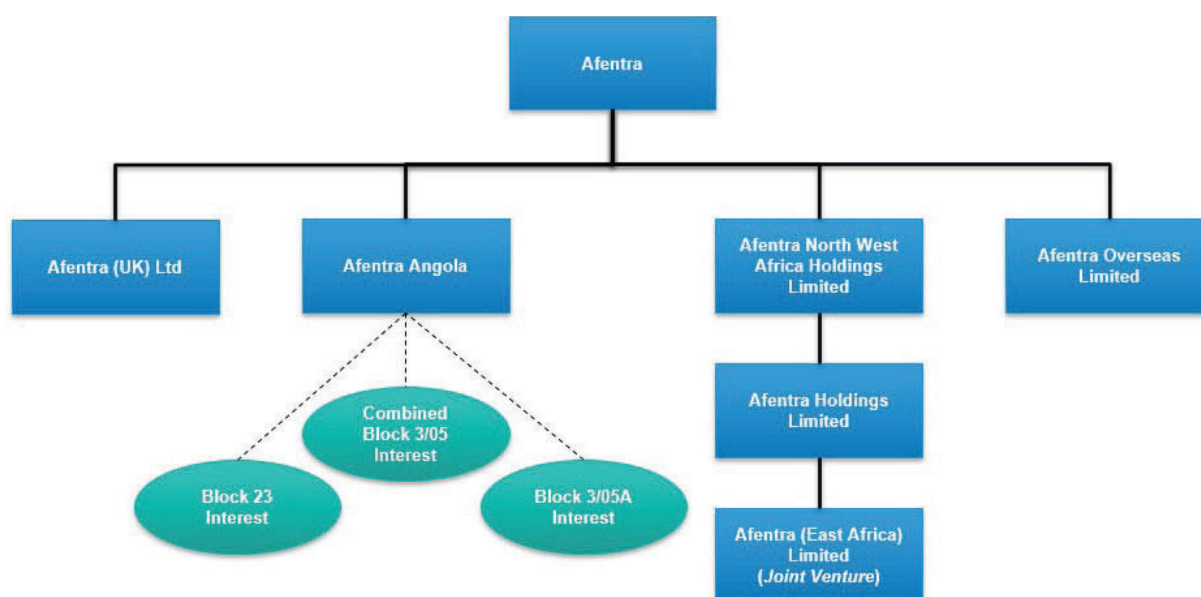


Figure 1.2 – anticipated Group structure following Azule Completion*

* Structure assumes Sonangol Completion occurs before Azule Completion. It is however possible that Azule Completion may occur before Sonangol Completion.

Azule Acquisition Agreement

Pursuant to the Azule Acquisition Agreement, Afentra Angola has conditionally agreed to acquire the Azule Block 3/05 Interest and the Azule Block 3/05A Interest. The initial consideration for the Azule Acquisitions is to be entirely funded by cash on the balance sheet and the Acquisition Facility, with a component of the initial consideration being funded from the net cash flows from the Azule Block 3/05 Interest from the effective date of the Azule Acquisitions (1 October 2022) to Azule Completion. The remaining portion of the total consideration is contingent and is expected to be funded from net cash flows from the Azule Block 3/05 Interest and the Azule Block 3/05A Interest after Azule Completion. The consideration for the Azule Acquisitions is made up of the following elements:

- an initial cash consideration payable at the date of Azule Completion of US\$48.5 million in respect of the Azule Acquisitions. The Azule Acquisitions are structured, however, such that Afentra Angola is entitled to any net cash flows from the Azule Block 3/05 Interest during the interim period between the effective date of the Azule Acquisitions (1 October 2022) and the date of Azule Completion, which, in light of the Azule CPs, is not expected to be until the end of 2023; and
- contingent consideration of up to US\$21 million is payable to Azule over a three-year period, which commenced on 1 January 2023 and ending on 31 December 2025 in respect of the Azule Block 3/05 Acquisition. At the end of each year in such period, if the Daily Average Brent Price (as defined in the Azule Acquisition Agreement) for that year exceeds US\$75/bbl, Afentra Angola will be required to pay Azule an amount equal to: *(US\$150,000 multiplied by (Daily Average Brent Price in that year – US\$75/bbl))*, subject to a maximum contingent consideration payment of US\$7 million in any such year in respect of the Azule Block 3/05.

If the Daily Average Brent Price for that year does not exceed US\$75/bbl, no contingent consideration will be payable in that year in respect of the Azule Block 3/05 Interest. If Afentra Angola does not make a lifting in one or more of the relevant years, the period during which contingent consideration is payable shall be extended by that number of years.

The Directors anticipate that any contingent consideration that becomes payable will be capable of being satisfied out of net cash flows from the Azule Block 3/05 Interest.

- Contingent consideration of US\$7.5 million is payable to Azule in respect of the Block 3/05A Acquisition if:
 - on the date that falls 12 months from the date on which production from the Caco-Gazela Development Area recommences (other than from the GAZ-101ST well), the Daily Average Brent Price for the 12 months preceding is equal to or exceeds US\$75/bbl; and
 - average daily oil production from the Punja Development Area over the relevant period exceeds 5,000 boe per day.
- Contingent consideration of US\$7.5 million is payable to Azule in respect of the Block 3/05A Acquisition if:
 - on the date that falls 12 months from the date on which production from the Punja Development Area commences, the Daily Average Brent Price for the 12 months preceding is equal to or exceeds US\$75/bbl; and
 - average daily oil production from the Punja Development Area over the relevant period exceeds 5,000 boe per day.

Completion of the Azule Acquisitions under the Azule Acquisition Agreement is conditional *inter alia* on the following (the “**Azule CPs**”):

- the publication in the Diário da República of an executive decree of MIREMPET authorising the Azule Acquisitions;
- receipt of approval of the Azule Acquisitions and waiver of its pre-emption right from the National Concessionaire (which right shall be deemed waived if not exercised or waived within 30 days of the National Concessionaire being notified of the Azule Acquisitions);
- Azule having obtained a letter from, or on behalf of, Sonangol EP by which it waives its pre-emption right (which right shall be deemed waived if not exercised or waived within 30 days of Sonangol EP being notified of the Azule Acquisitions);
- in the event that any other Block 3/05 contractor group members are categorised as “National Associates” at the time of ANPG’s waiver of pre-emption rights, Azule having obtained a letter from, or on behalf of, each such National Associate by which it waives its pre-emption right (which right shall be deemed waived if not exercised or waived within 30 days of being notified of the Azule Acquisitions);
- all necessary written consents, approvals or waivers, as the case may be, of the other participating interest holders in Azule Block 3/05 and Azule Block 3/05A having been obtained and effected by their execution of the formal novation documents required to legally transfer the Azule Block 3/05 Interest and the Azule Block 3/05A Interest; and
- either (i) Afentra Angola having obtained the necessary competition clearance from the competition authority for the completion of the Azule Acquisitions, to the extent that same are expressly considered by the competition authority, as constituting a “concentration” within the scope of the applicable Angolan Competition Law, or (ii) the competition authority having confirmed in writing that the Azule Acquisitions do not constitute a “concentration” within the scope of applicable Angolan Competition Law, or (iii) the competition authority not having expressly stated in writing that the Azule Acquisitions constitute a “concentration” for purposes of the Angolan Competition Law by the date on which all other conditions precedent are satisfied or waived (the “**Azule Competition CP**”); and
- the passing of the Azule Resolution at the General Meeting (the “**Azule GM Condition**”).

In respect of the Azule Competition CP, Azule informally notified the Angolan Competition Authority on 24 August 2023 of the Azule Acquisitions. The Angolan Competition Authority indicated to Azule on 11 September 2023 that it is of the view that the Azule Acquisitions constitute a “concentration” for the purposes of Angolan Competition Law and as such formal notification should be made to the Angolan Competition Authority of the Azule Acquisitions and competition clearance would be required from the Angolan Competition Authority for the completion of the Azule Acquisitions. The Company does not agree with this view and intends to seek further clarification on this matter. It is anticipated that some of the Azule CPs will take some time to satisfy. Accordingly, it is not anticipated that Azule Completion will take place until Q4 2023.

In addition to the Azule CPs:

- Afentra Angola is entitled to terminate the Azule Acquisition Agreement before Azule Completion in the event that: (i) certain of the warranties given by Azule are not correct at the dates they are given and the breach of such warranties would result in Afentra Angola having a claim with a value in excess of US\$2 million pursuant to the Azule Acquisition Agreement; or (ii) Azule is in breach of certain obligations in the interim period between signing the Azule Acquisition Agreement and Azule Completion and such breach would result in Afentra Angola having a claim with a value in excess of US\$2 million pursuant to the Azule Acquisition Agreement; or (iii) Azule has breached certain warranties or obligations relating to compliance with anti-bribery and corruption laws and such breach would result in a material adverse impact on the Azule Assets and/or the reputation of Afentra Angola in the reasonable opinion of a sophisticated buyer experienced in the acquisition or disposal of oil and gas assets that would adversely affect the willingness of such sophisticated buyer, acting reasonably, to complete the Azule Acquisitions; or (iv) Azule or any affiliate is the subject of sanctions in any of Angola, the European Union, the United Kingdom or the United States of America or is unable to fulfil its obligations in respect of the Azule Acquisitions due to the sanctions laws of any of those states or supra-national entities;
- Azule is entitled to terminate the Azule Acquisition Agreement before Azule Completion in the event that: (i) Afentra Angola has breached certain obligations relating to compliance with anti-bribery and corruption laws and such breach would result in a material adverse impact on the Azule Assets and/or the reputation of Azule in the reasonable opinion of a sophisticated seller experienced in the acquisition or disposal of oil and gas assets that would adversely affect the willingness of such sophisticated seller, acting reasonably, to complete the Azule Acquisitions or (ii) Afentra Angola or any affiliate is the subject of sanctions in any of Angola, the European Union, the United Kingdom or the United States of America or is unable to fulfil its obligations in respect of the Azule Acquisitions due to the sanctions laws of any of those states or supra-national entities; and
- either Afentra Angola or Azule is entitled to terminate the Azule Acquisition Agreement before Azule Completion in the event that the Azule CPs are not satisfied or waived by 18 July 2024.

In the event that any of the Angolan government, ANPG or MIREMPET exercises any pre-emption or preferential rights over the Azule Block 3/05 Interest prior to Azule Completion, then the Azule Block 3/05 Interest shall be excluded from the Azule Acquisitions, no consideration will be payable by Afentra Angola in connection therewith and Afentra Angola and Azule shall (subject to satisfaction or waiver of the Azule CPs in relation to the Azule Block 3/05A Interest) proceed to complete the Azule Acquisitions in respect of the Azule Block 3/05A Interest alone.

Following the withdrawal of China Sonangol from Block 3/05A, a process is ongoing to determine how its interests in Block 3/05A should be reallocated. Under the Block 3/05A JOA, the default position, absent any other agreement, is that such interests should be reallocated to the other participating interest holders in Block 3/05A *pro rata* to their participating interests in Block 3/05A. ANPG sent a letter to Sonangol on 31 August 2023, whereby it confirmed that the Block 3/05A PSA in respect of China Sonangol will be terminated and that China Sonangol's relevant participating interest will be allocated *pro rata* to the other members of Block 3/05A contractor group, leaving the Company currently with a 5.33% participating interest in Block 3/05A and Azule with a 16% participating interest in Block 3/05A which would be acquired by Afentra Angola at the Azule Completion. ANPG have forwarded this request for approval by MIREMPET. Although the Company expects this to occur, final governmental approval has not yet been received and there remains a risk that, even if the Azule Completion occurs, the Company will acquire only a 12% participating interest in Block 3/05A from Azule and in these circumstances the Company would have only a 16% aggregate participating interest in Block 3/05A.

The Azule Acquisition Agreement also contains customary warranties for a transaction of this nature in relation to the Azule Assets from Azule. The Azule Acquisition Agreement also provides that, if Azule has not completed the sale of its accrued entitlement as at the effective date for the Azule Acquisitions (1 October 2022), Afentra Angola shall sell such stock on Azule's behalf and pass on the proceeds of such sale to Azule. In accordance with the terms of the Azule Acquisition Agreement, from completion Afentra Angola will assume liability for pre and post effective date decommissioning and environmental liabilities for the Azule Assets which are acquired.

Azule Guarantee

Pursuant to the Azule Acquisition Agreement, the Company (as parent company of Afentra Angola) has agreed to enter into a deed of guarantee and indemnity (the “**Azule Guarantee**”) in favour of Azule. The Company assumes the role of primary obligor, guaranteeing the due and punctual payment by Afentra Angola of all amounts which Afentra Angola shall become obliged to pay to Azule under the Azule Acquisition Agreement. The Company also guarantees the performance of Afentra Angola’s, covenants, stipulations and obligations under the Azule Acquisition Agreement.

Pursuant to the Azule Guarantee, the Company undertakes to indemnify Azule against all damages, actions, losses, costs and expenses arising from any failure of Afentra Angola to carry out any obligation or liability by reason of it not being or ceasing to be valid or enforceable. The Company’s liability under the indemnity is limited to a maximum level determined by the amount that Azule would have been able entitled to recover from the Buyer were it not for the cessation of validity or enforceability of the relevant guaranteed obligation.

The Company also agrees to indemnify, defend and hold harmless Azule on demand in respect of all losses, actions, claims, costs, charges, expenses and liabilities incurred or sustained by Azule in any enforcement of the Azule Guarantee, or arising from a breach of the Azule Guarantee by the Company.

The Azule Guarantee is governed by English law, and any dispute arising from the Azule Guarantee shall be resolved by way of arbitration in London under the London Court of International Arbitration Rules.

Azule Escrow Agreement

Pursuant to the Azule Acquisition Agreement, Afentra Angola entered into an escrow agreement (the “**Azule Escrow Agreement**”) with Azule (as escrow counterparty) and Citibank, N.A., London Branch (the “**Azule Escrow Agent**”)

Following execution of the Azule Escrow Agreement, the Company paid a deposit of US\$4.85 million into an escrow account.

The Azule Escrow Agent’s fees under the Azule Escrow Agreement are for Afentra Angola’s account.

Decommissioning liability

The current ADP for Block 3/05 (approved in 2012) estimates abandonment costs at US\$574 million, of which US\$554 million has been funded. Funding of the shortfall is subject to the approval of a revised ADP. Following the extension of the Block 3/05 PSA to 2040, the ADP will be revised. The Competent Person’s Report estimates abandonment costs for Block 3/05 at US\$745 million.

Sonangol EP, as former national concessionaire, currently holds the majority of the decommissioning cost funds provided by Sonangol. Sonangol EP should have transferred all funded abandonment costs for Block 3/05 to ANPG upon the latter being appointed to the role of National Concessionaire in 2019. Save for US\$20.09 million in the escrow account, the Company has not been provided with any evidence that Sonangol EP has transferred these funds. Procedural delays in the transfer of escrow funds is a known risk in the Angolan oil industry and the timeline for the transfer is unclear.

No ADP exists for Block 3/05A.

5 PRINCIPAL TERMS OF THE ACQUISITION FACILITY

On 9 August 2022 Afentra Angola (as original borrower), the Company (as parent and original guarantor) and Trafigura (in various capacities) (among others) entered into a senior secured, reserve-based term loan facility agreement for up to US\$110 million, comprising a US\$75 million committed term loan and an uncommitted accordion facility of up to a further US\$35 million (the “**Acquisition Facility**”) (the “**Acquisition Facility Agreement**”). The Acquisition Facility Agreement was amended and restated on 2 May 2023 pursuant to an amendment and restatement agreement between, amongst others, Afentra Angola, the Company, Trafigura (in various capacities) and the Mauritius Commercial Bank Limited (“**MCB**”) (as Accession Party and New Lender) before being further amended pursuant to a deed of amendment dated 5 May 2023 and a consent and

amendment letter dated on or around 15 September 2023. The Company will seek to commit the accordion facility if required ahead of the Azule Completion and Sonangol Completion. The Acquisition Facility has been used to fund the INA Assets and may be used towards funding the acquisitions of the Target Assets. The Acquisition Facility is capable of being drawn down in four specific tranches, namely (i) the Sonangol utilisation; (ii) the first INA utilisation, in respect of the initial consideration paid under the INA Acquisition Agreement; (iii) the second INA utilisation, in respect of the contingent consideration payable under the INA Acquisition Agreement, relating to the extension of the Block 3/05 PSA; and (iv) utilisation for the Azule Acquisitions. The Sonangol utilisation and the utilisation for the Azule Acquisitions will be available up until five business days after their respective acquisition completion dates. The INA utilisations were made on 5 May 2023 to fund completion of the INA Acquisitions.

The material conditions precedent contained in the Acquisition Facility Agreement include, for example, all agreed security being in place, completion of diligence in respect of the INA Assets or relevant Target Asset, conditions under the relevant acquisition agreement being satisfied and evidence of the portion of the consideration not funded by the Acquisition Facility being available.

The Acquisition Facility will mature on the date falling 60 months after the first utilisation of the Acquisition Facility (or, if earlier, the reserve tail date). The Acquisition Facility is reduced by equal instalments (as determined at the time of drawdown).

Early repayment may be required following typical events such as events of default, change of control, breach of sanctions and illegality.

Interest is payable on the Acquisition Facility at SOFR plus 8% per annum.

Security is provided over the shares in Afentra Angola and all the assets of Afentra Angola.

The Acquisition Facility Agreement contains customary covenants and representations for the type of facility, including financial covenants related to the financial performance of the Group and a restriction on distributions by Afentra Angola to Afentra where the debt service reserve account is not fully funded or there is a default outstanding under the Acquisition Facility Agreement.

The Acquisition Facility is subject to certain standard conditions precedent and is governed by the laws of England and Wales.

6 PRINCIPAL TERMS OF THE WORKING CAPITAL FACILITY

On 9 August 2022 Afentra Angola (as original borrower), the Company (as original guarantor) and Trafigura (in various capacities) (among others) entered into a working capital facility agreement for up to US\$30 million (or, if lower, the value of 70% of Afentra Angola's entitlement aboard the Palanca FSO applying a price deck equal to the higher of: (i) 85% of the Brent Forward Curve; and (ii) the price deck then being used under the Acquisition Facility) (the "**Working Capital Facility**") (the "**Working Capital Facility Agreement**"). The Working Capital Facility Agreement was amended and restated on 2 May 2023 pursuant to an amendment and restatement agreement between, amongst others, Afentra Angola, the Company, Trafigura and MCB before being further supplemented by a letter dated on or around 15 September 2023.

The Working Capital Facility Agreement allows Afentra Angola to borrow against Afentra Angola's entitlement to the hydrocarbons aboard the Palanca FSO and to use the funds for general corporate purposes. The Working Capital Facility shall remain available until the earlier of (i) the date on which MCB's obligation to make loans under the Working Capital Facility Agreement is terminated or cancelled; (ii) the date on which the Acquisition Facility Agreement is fully repaid or terminated; or (iii) the date on which the Trafigura Offtake Agreement is terminated. The amounts outstanding under the Working Capital Facility are to be repaid within three business days following the date Afentra Angola receives payment in full of an invoice under the Trafigura Offtake Agreement or, if earlier, the date immediately preceding the anniversary of the date the loan was made.

The Working Capital Facility will mature on the date falling thirty days after the drawdowns under the facility cease to be available.

Early repayment may be required following typical events such as events of default, change of control and illegality.

Interest is payable on the Working Capital Facility at SOFR plus 4.75% per annum.

The Working Capital Facility Agreement contains customary covenants and representations for the type of facility.

The Working Capital Facility Agreement is subject to certain standard conditions precedent and is governed by the laws of England and Wales.

7 PRINCIPAL TERMS OF THE TRAFIGURA OFFTAKE AGREEMENT

The Company entered into the Special Provisions for the Sale and Purchase of Crude Oil and Products with Trafigura on 9 August 2022 ("**Trafigura Offtake Agreement**"). The Trafigura Offtake Agreement includes the BP Oil International Limited General Terms & Conditions for Sales and Purchases of Crude Oil and Petroleum Products, 2015 edition, as amended by the Trafigura Amendments 2019 to the BP general terms and conditions. As such the Trafigura Amendments have been further amended between the parties. The Trafigura Offtake Agreement is governed by English law.

The Company intends to novate the Trafigura Offtake Agreement to Afentra Angola in due course.

Subject to the terms of the Trafigura Offtake Agreement, the Company agrees to sell, and Trafigura agrees to purchase, 100% of Afentra's entitlement to the crude oil lifted from the INA Assets and the Target Assets. The agreement thus secures sales of crude oil produced and limits the Company's exposure to offtake risk.

The agreement remains in full force and effect until the later of (i) the date on which there are no outstanding sums due under the Acquisition Facility Agreement and the Working Capital Facility Agreement; and (ii) the date the Company has sold 10 million barrels of crude oil to Trafigura (although this figure of 10 million barrels will be pro-rated down for the change in the interest in the Sonangol from 20% to 14%).

The crude oil sold and purchased under the agreement shall be given and taken FOB at the delivery point, which is currently located at the permanent hose/loading arm connection of the vessel lifting the crude oil from the Palanca FSO.

The US\$ FOB price per barrel FOB Palanca FSO is determined in accordance with an "A+B" formula where:

- "A" is calculated by using a percentage of the arithmetic average of Platts Dated Brent mean quotations published in the Platts Crude Oil Marketwire over an agreed period following the bill of lading date for the relevant cargo; and
- "B" means the on-sale FOB differential calculated accordingly.

Trafigura may hedge the Dated Brent component or price the Dated Brent component based on certain dates, in which case price and volume shall be confirmed by Trafigura and Afentra on a case by case basis.

The Company may terminate the agreement after the second anniversary in the case of disposal but subject to any make whole payment to Trafigura equal to the anticipated margin of the volumes being disposed of. The agreement contains provisions on early termination and suspension rights for either party if any of the following events of default occur in respect of the other party whereby the defaulting party:

- or its immediate or ultimate parent is dissolved, becomes insolvent, has a resolution passed for its winding up etc;
- commits a repudiatory or renunciatory breach of the contract;
- fails to deliver any credit support to the non-defaulting party within the timescales set out in the contract;
- fails to make payment when due under the contract and doesn't remedy such failure within five business days;
- fails to take delivery in accordance with the delivery provisions of the contract, where the defaulting party is Trafigura; or

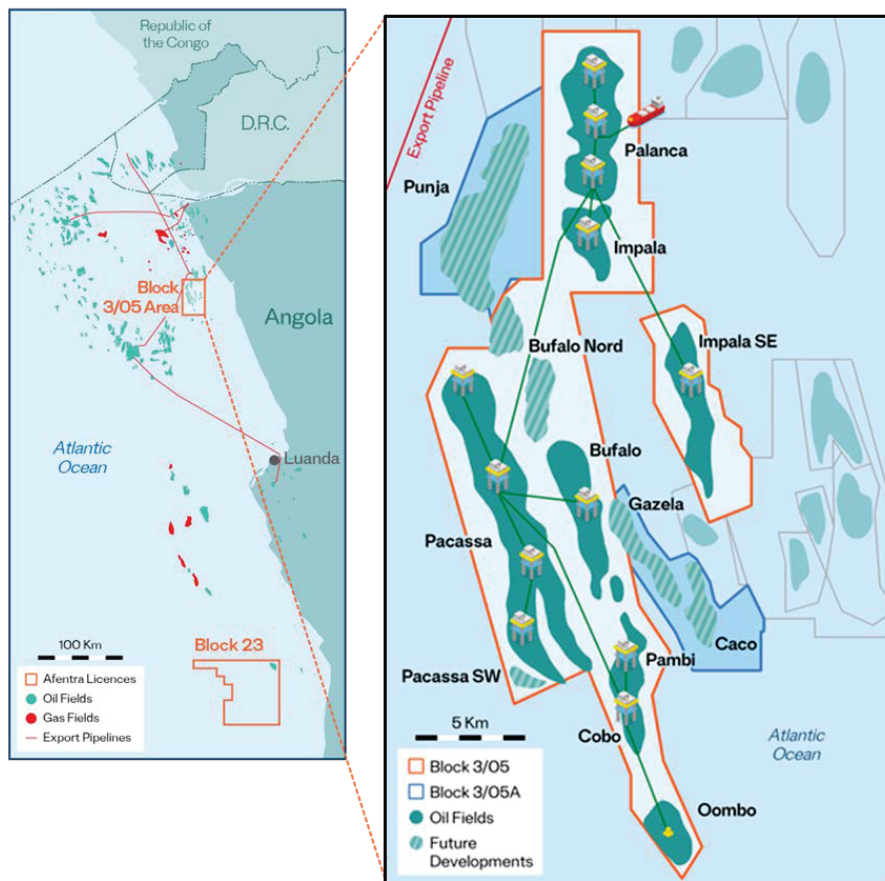
- is subject to a change of control other than where control is transferred to another entity subject to the direct or indirect control of any entity that has direct or indirect control of the defaulting party.

Neither of the parties may assign the agreement or any rights and obligations thereunder without the previous written consent of the other party. Such consent shall not be unreasonably withheld or delayed.

8 INFORMATION ON THE TARGET ASSETS

Block 3/05 is located approximately 37km offshore in shallow water (40-100m) in the Congo Basin (Figure 1.3). The initial oil discoveries were made by Elf Petroleum from 1981 to 1990. A phased handover of operatorship of the assets from TotalEnergies to Sonangol was undertaken between 2005 and 2013.

The light, low viscosity oil and associated gas is contained in the Albian age, Pinda group, carbonate reservoirs with undeveloped stratigraphic potential in the Cenomanian age labe turbidites. Production commenced in 1985 from the Palanca field and a further seven fields (Figure 1.3) were brought online over the next 12 years until production reached a peak of 200,000 stb/d in 1998 by successful application of waterfloods. In excess of 100 wells have been drilled across the fields, of which up to 39 are active production wells and up to 12 water injectors were used in H1 2023. Development of the oil fields was undertaken via 17 well head and support platforms linked to four processing platforms at the Palanca and Cobo fields. Processed oil is piped to the 2 million barrel capacity Palanca FSO vessel from where it is exported. Average gross production in 2022 was 18,600 stb/d. Average 2023 gross production rate to end of June 2023 was 18,000 stb/d.



Executive Decree 63/23, of 10 May 2023, unified the separate development areas of Palanca, Pacassa, Cobo, Impala, Impala SE, Pambi, Oombo 1 and Búfalo appearing in the above map into a single development area currently designated as “Development Area of Block 3/05”.

Figure 1.3 – Block 3/05 & 3/05A Location (Source: Competent Person’s Report)

By the end of June 2023 1.354 billion barrels had been recovered from an oil in place of 3.157 billion barrels (Recovery factor of 43%). Individual field recovery factors vary from 19-47%. Further reserves and resources are to be developed by the reinstalment of waterfloods, workovers, targeting un-developed pay behind pipe and infill drilling. The Block 3/05 PSA has been extended to December 2040. A breakdown of the history and recovery status on each field is provided in Table 1.4 below. Figure 1.5 provides details of the overall liftings from Block 3/05 since January 2021. Figure 1.6 shows historical production through end June 2023.

Field	Discovered	First Oil	Peak Oil Mbb/d	Year	STOIP	Cum. Prod. at End June 2023	Recovery Factor at End June 2023
					MMstb	MMstb	
Pacassa	1982	1986	75.9	1998	1103	510	46%
Bufalo	1982	1988	23.8	1989	358	141	40%
Palanca	1981	1985	52.7	1988	587	276	47%
Impala	1982	1992	4.4	1999	60	12	19%
Impala SE	1985	1988	28.9	1990	320	123	38%
Cobo	1990	1993	46.9	1996	396	170	43%
Pambi	1990	1995	28.4	1997	170	52	31%
Oombo	1992	1997	22.3	2001	163	69	42%
Block 3/05					3157	1354	43%

Table 1.4 – History and recovery status by field as at end June 2023 (Source: Competent Person’s Report)

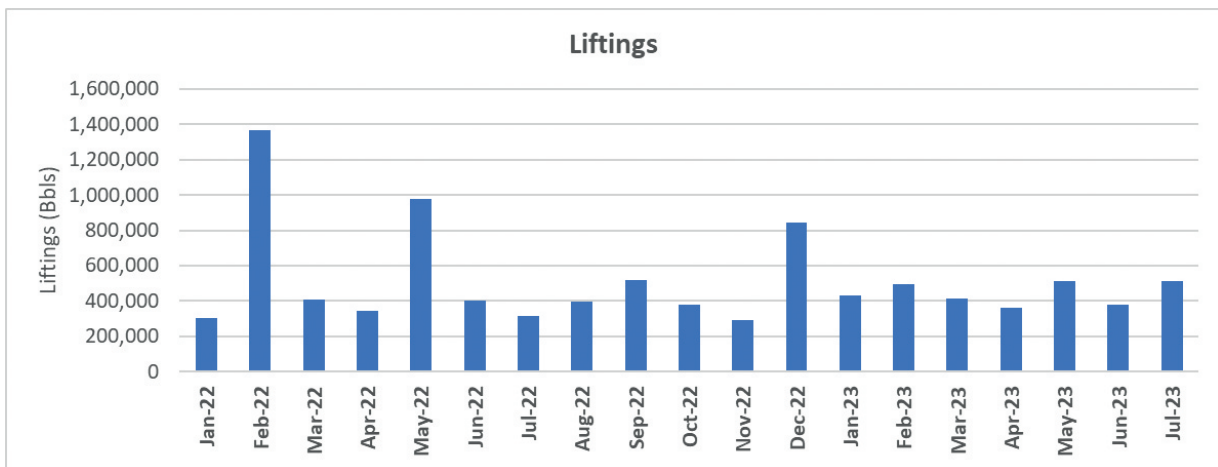


Figure 1.5 – Overall liftings from Block 3/05 since January 2021 (Source: Company materials)

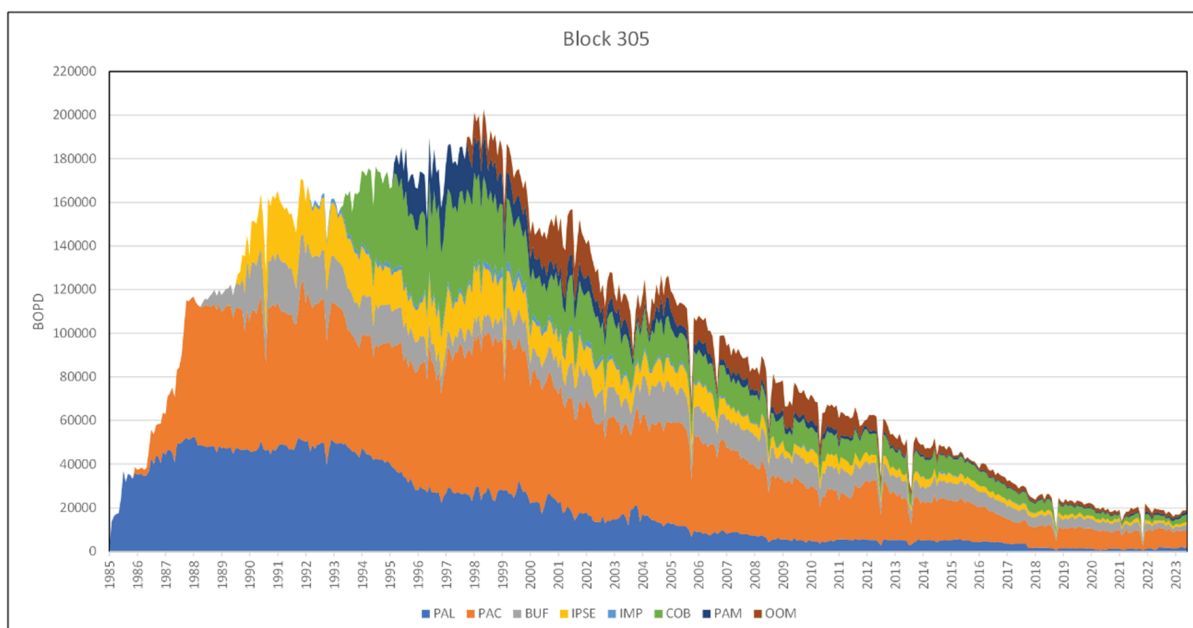


Figure 1.6 – Block 3/05 Production History (Source: Competent Person’s Report)

Several projects across the eight fields to both sustain and grow production from an average rate achieved in H1 2023 of 18,000 stb/d are being executed and planned. These include light well interventions (LWI), workovers on existing wells, restarting production from a well on the Impala fields and re-instating full waterfloods across the assets as outlined in Table 1.7 below.

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	14.9	19.4	22.8	11.2	13.5	14.2	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	5.1	10.8	17.8	3.9	5.9	8.5	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	1.2	1.7	2.2	0.9	1.1	1.2	Sonangol P&P
Light Well Interventions (LWI) Program	2.0	2.3	2.6	0.6	0.7	0.8	0.4	0.4	0.5	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.1	0.3	0.3	0.1	0.1	0.2	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	7.0	13.4	21.1	5.3	7.6	10.3	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	21.9	32.9	43.9	16.6	21.1	24.4	Sonangol P&P

Table 1.7 – Block 3/05 oil Reserves as at 30 June 2023 (Source: Competent Person’s Report)

Additionally, opportunities for new wells have been identified in the Palanca, Impala SE and Impala fields, together with potential behind pipe access to the as yet unproduced Cenomanian oil pools in the Cobo area. The targets and execution plans for these projects are in the process of being matured further towards being drill and workover ready providing excellent opportunity for contingent resource to reserve conversion of the gross un-risked 1C-2C-3C range of 21.5 – 43.7 – 71.8 MMstb in a low cost (shallow water, infrastructure in place) environment. These are shown in Table 1.8 below.

Oil Contingent Resources by Project and Sub-Class (Unrisked)	Gross (MMstb)			Afentra WI (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending (DP)							
Impala South East Infill	6.0	10.8	18.8	1.8	3.2	5.6	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.3	0.9	1.4	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.5	1.3	2.3	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	2.6	5.5	9.4	Sonangol P&P
Development Unclassified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.1	0.3	1.7	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	3.8	7.3	10.4	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	6.5	13.1	21.5	Sonangol P&P

Table 1.8 – Block 3/05 Unrisked Oil Contingent Resources as at 30 June 2023 (Source: Competent Person’s Report)

Additional Block 3/05 opportunities have also been identified by Sonangol. These have not been assessed at this time and are subject to further work. These include potential infill drilling into the northern area of the Bufalo field, a potential well into the Pacassa SW prospect, and additional volumes in the IABE formation at Pacassa, Cobo and Oombo. Potential selection of alternate artificial lift technology applications to further enhance production rates from existing well stock are also under consideration. These opportunities provide potential additions to the contingent resource scope evaluated as shown in Table 1.8 above.

Block 3/05A, which is adjacent to Block 3/05 (see Figure 1.3 – Block 3/05 & 3/05A location), contains the undeveloped discoveries Punja, Caco and Gazela with an estimated in place resource of 0.3 billion barrels. From 2015 circa two years of production from the Gazela field via a single well drilled from Block 3/05 infrastructure was undertaken. Approximately 2 million barrels were recovered prior to a wellbore driven shut down. The well was successfully restarted at the end of March 2023 and is producing at ~ 1,450 bopd. Assessments to define an optimal development framework of these fields benefitting from use of the nearby Block 3/05 facilities and infrastructure is ongoing. Sonangol has received a letter dated 31 August 2023 from ANPG confirming that China Sonangol’s interests in Block 3/05A are to be reallocated to the other participating interest holders in Block 3/05A *pro rata* to their participating interests in Block 3/05A and that the matter has been sent to the Ministério de Tutela for formal approval of the redistribution. Once such approval has been given, the 4% interest in Block 3/05A currently held by Afentra Angola will rise to 5.33%.

9 INFORMATION ON SONANGOL

Sonangol is a state-owned oil company.

Sonangol EP was created as a public company in 1976 following the adoption of Decree-Law No. 52/76 of 9 June in Angola, which established the National Fuel Society of Angola (Sonangol) as a state-owned company. Sonangol EP’s by-laws and corresponding status have suffered numerous changes since 1976, the last being Presidential Decree No. 15/19, 9 January 2019.

Sonangol EP’s main activities include prospecting, exploration, production, transportation, marketing, refining and processing of liquid and gaseous hydrocarbons, including petrochemical activities.

Sonangol EP was the former national concessionaire and exclusive holder of the Angolan mining rights for oil and gas up until the enactment of Presidential Decree 49/19, of 6 February 2019, as amended. Pursuant to this statute, ANPG replaced Sonangol EP as the National Concessionaire.

According to public information, Sonangol is the company within Sonangol group engaged in the exploration and production business unit. For this reason, Sonangol is the company that typically holds Sonangol group’s participating interests in Angolan oil blocks.

10 INFORMATION ON AZULE

Azule Energy is an international energy company located in Angola and is an incorporated joint venture between BP Exploration Operating Company Limited and Eni International B.V. with BP and Eni each holding a 50% share.

Azule Energy is Angola's largest independent equity producer of oil and gas, holding 2 billion barrels equivalent of net resources. It holds stakes in 17 licences (of which nine are operated) and a participation in Angola LNG JV. Azule Energy is also a shareholder in Solenova, a solar company jointly held with Sonangol, and took over Eni's collaboration in the Luanda Refinery.

11 STRATEGY OF THE COMPANY

The Company's strategy has been formulated based on the belief of the Directors that the global energy transition will take time and that hydrocarbons will remain an essential part in the overall energy mix for many years to come. The Directors believe that it is important that the industry responsibly manages existing oil and gas assets resources during the transition by demonstrating operational excellence and environmental stewardship as IOCs and national oil companies divest themselves of assets to independents. The market drivers that underpin the energy transition and push IOCs to sell assets in Africa continue to gather momentum and will undoubtedly evolve over the coming years, as they did previously in more mature operating regions such as the UK North Sea and the Gulf of Mexico.

The Directors further believe that the socio-economic impact of the energy transition in Africa needs to be considered alongside the climate impact to deliver a just transition for the countries and peoples of Africa and that those African economies that are reliant on hydrocarbons should be able to capitalise on the socio-economic benefits associated with them. These emerging nations represent a small contribution to the global impact of climate change compared with more developed nations that champion the need for a speedy transition. The fact that the current gas crisis can have such an impact on western economies highlights the devastating risks and social impacts that too rapid a transition could have on the nations and peoples of Africa. Afentra's objective is to help African nations deliver this just transition, whilst benefitting host economies and populations and all stakeholders in the process.

Afentra's growth strategy is to achieve scale through implementation of a buy and build model, positioning itself as a trusted partner of divesting IOCs and host governments to build a portfolio of assets that progress the growth strategy. The Company is specifically targeting producing assets and discovered resources in Africa where the team has existing knowledge, experience and network. Afentra focuses on operated positions but will also consider non-operated positions alongside credible operators with shared standards. Target Assets must be value accretive, adding potential for robust cash flow and proven reserves.

Once an asset has been acquired, the Company intends to leverage its deep operating capabilities to increase efficiencies, enhance production, reduce operating costs and improve environmental performance. Afentra's overall aim is to support the energy transition in Africa by responsibly realising the full potential of assets for the benefit of all stakeholders.

Afentra has assembled a strong team with an established network with IOCs and host governments, a proven track record for business delivery and high operating standards. The Company is actively screening a pipeline of opportunities consistent with its strategy and aims to continue to build out its producing oil and gas portfolio over the coming months and years through further accretive acquisitions. The Directors intend, however, to remain highly disciplined to ensure any acquisitions can stand-up to retrospective scrutiny in the years ahead.

The Company's focus on value accretive acquisitions, accessing proven reserves and delivering robust cash flows has been evidenced by the progress made with the initial acquisitions in Angola. These highly cash flow generative acquisitions provide the Company with access to a core jurisdiction and a platform from which the Company's plans to access further opportunities and to grow Afentra in line with the Company's strategy and ultimately deliver sustainable shareholder returns. Angola has a proven petroleum system and one which aligns with the Company's strategy in terms of providing numerous viable opportunities in a material hydrocarbon province with a strong industry framework and supportive operating and fiscal environment.

The Directors' believe that the Company has established a strong working partnership with Sonangol to date and demonstrates the value of positioning the Company as an acquirer of choice. Furthermore, Angola's industry regulator, ANPG, recognises the need to preside over an attractive economic and fiscal regime in order to encourage foreign investment into the oil and gas industry and demonstrates this through a pragmatic and engaging approach to fiscal terms and licence extensions.

Based on the Company's engagement to date and Afentra's assessment of the industry landscape in Angola, the Directors believe that Angola will provide the ideal backdrop for Afentra to deliver long-term growth. In parallel, the Company intends to continue to assess and consider potential complementary target markets across West Africa which provide similar industry dynamics and opportunities to deliver Afentra's strategy.

12 CURRENT TRADING AND FUTURE PROSPECTS

Afentra is focused on building a diversified portfolio of both operated and non-operated producing oil and gas projects in Africa. The INA Acquisitions and the Acquisitions represent the first building blocks in its oil and gas portfolio and provide a strong platform for future and sustainable growth for the Company with the ultimate objective to build a portfolio of assets capable of producing tens of thousands of barrels a day with a mix of both operated and non-operated assets.

In Block 3/05 a program of successful light well interventions (LWI) has delivered incremental production and gross daily production rates have exceeded 20,000 bbl/d since end July 2023. An additional LWI campaign commenced in August 2023 and will continue through to the year end. Water injection upgrades have also been successful with injection rates more than doubling YoY (averaging approx. 38,000 bw/d), injection volumes are expected to continue to increase through H2 2023. This improved water injection is expected to impact oil production in the medium term as reservoir pressure increases.

In Block 3/05A production was restored at the Gazela field in March and is producing at 1,450 bopd. This test will help to establish the long-term resource potential and appropriate development strategy. The Punja development is also being progressed and different solutions evaluated.

Since joining the Block 3/05 contractor group, Afentra has contributed to understanding the emissions profile of the asset and Operator reported flare volumes, leading a gas management workshop and identifying emissions reduction solutions. Afentra sees a number of opportunities to impact emissions, in line with Angola's goal of Zero routine flaring by 2030.

Future plans for the asset in the near term consist of further light well interventions, water injection restoration, heavy workovers and well restarts. Contingent work programs will include infill wells in high graded fields, workovers of labe reservoirs not currently produced as well as the deployment of artificial lift.

In Angola, Afentra continues to examine additional opportunities that can leverage the skill base and established relationships. In the wider West African domain, Afentra continues to look to establish a second hub.

The Company also holds a 34% non-operated equity interest in its legacy asset, the Odewayne Block in Somaliland. This offers one of the last opportunities to target an undrilled onshore rift basin in Africa. The Odewayne Block, with access to the Berbera deepwater port less than 100km to the north, is well situated to commercialise any discovered hydrocarbons. The Company is fully carried by Genel Energy Somaliland Limited for its share of the costs of all exploration activities during the Third and Fourth Periods of the Odewayne PSA and the Odewayne PSA is currently in the Third Period which has been extended until May 2025.

In 2023 the operator completed an updated petroleum system analysis complemented by a satellite seep study. Both the operator and Afentra have now confirmed the presence of trace oil in the sample taken at the water well drilled by the Ministry of Water Resources Development at the village of Baha-Dhamal in 2022. The likely source for the oil is a Mesozoic age source rock which fits with an Upper Jurassic source rock. The future program will be how to further evaluate the prospectivity of the licence, including attempting to resample the fluid with a new borehole at the original well location to define the future work program.



Figure 1.9 – Odewayne Block Location (Source: Company materials)

The Company continues to actively review acquisition opportunities across its core West Africa region focused on accretive, cash-generative assets with preference for the assets where Afentra’s management team can apply its technical expertise and work collaboratively with the existing JV partners on the assets.

The Company will remain focused on its core West Africa region with Angola being a key country of focus for Afentra where the Directors see a significant opportunity to build a long lasting stable and diversified business. Meanwhile, the Company continues to believe that it can execute similarly value accretive transactions in other attractive business environments across West Africa. Therefore, it does not intend to restrict its focus to Angola alone and will continue to seek entry into a second anchor country within West Africa to diversify and provide an attractive portfolio effect.

13 COMPETITION

There are a number of local as well as international companies, both well established and new entrants, active in the M&A market in Africa with whom the Company is in competition for acquisitions. Nevertheless, the Directors believe that a considerable number of acquisition opportunities are and will become available in Africa for ambitious independents like Afentra.

IOCs and host governments are increasingly seeking credible and responsible counterparties for divested assets to ensure best practice, environmental stewardship, and the highest standards of governance so that local communities and all stakeholders can continue to realise the socio-economic benefits from existing, discovered resources. With ESG considerations at the heart of Afentra’s strategy, and the management team’s significant experience in this area, the Company is well positioned to acquire further assets.

The Directors believe that the strengthening of the oil price and the increasing importance of ESG considerations for both sellers and the capital markets are highly advantageous for Afentra in the longer term. However, in the short term, oil price volatility and geopolitical uncertainty may create a challenging M&A environment. The Directors intend to retain a very strong focus on value creation and will therefore maintain a disciplined approach to valuation, especially in this challenging environment.

14 DIRECTORS AND SENIOR MANAGEMENT

The Board currently comprises three executive directors and three non-executive directors. The Directors are ultimately responsible for managing the Company's business in accordance with the Articles and assessing the appropriateness of its strategy. The Directors also have overall responsibility for the Company's activities, including its acquisition activities, and thereafter reviewing the performance of the Company's acquisitions.

The Board currently comprises Paul McDade as Chief Executive Officer, Anastasia Deulina as Chief Financial Officer and Ian Cloke as Chief Operating Officer. The non-executive directors are Jeffrey McDonald, Gavin Wilson and Thierry Tanoh. Details in respect of each of the Directors are set out below. In addition, Richard Cliff acts as the Company's secretary.

The Directors have many years of experience in evaluating and progressing acquisitions and investment prospects within the oil and gas sector. The Board have resolved that, after due consideration, no additions to the Board are currently necessary as a result of the Acquisitions.

Directors

Paul McDade – Chief Executive Officer (Age: 59)

Paul McDade joined the Board in March 2021 as Chief Executive Officer. Paul began his career at ConocoPhillips as a reservoir engineer and has over 35 years of experience within the international oil & gas industry. Prior to joining Afentra, Paul spent 19 years as COO and then CEO of Tullow Oil plc, during which time he played a major role in building a successful African-focused, listed oil & gas company and has also worked at LASMO PLC, KUFPEC and ERC Oil & Gas Consultants. Paul has a BSc. in Civil Engineering from the University of Strathclyde and an MSc. in Petroleum Engineering from Imperial College, London.

Ian Richard Cloke – Chief Operating Officer (Age: 52)

Ian Cloke joined the Board in March 2021 as Chief Operating Officer. Ian began his career at ConocoPhillips as a geoscientist and has over 25 years of experience in the international oil & gas industry. Prior to joining Afentra, Ian had spent nearly 15 years as an Executive Vice President at Tullow Oil plc, where he was responsible for oil and gas operations and projects in a number of countries in Africa and South America, including Guyana, Kenya and Uganda and has also worked at LASMO PLC, and ExxonMobil. Ian has a BSc. in Geological Sciences from Durham University, an MSc. and a PHD, from Royal Holloway, University of London.

Anastasia Deulina – Chief Financial Officer (Age: 50)

Anastasia Deulina joined the Board in May 2021 as Chief Financial Officer. Anastasia began her career at Merrill Lynch & Co and has over 20 years' experience in the energy sector within investment banks, private equity firms and companies. Prior to joining Afentra, Anastasia was Group Head of Strategy, Planning and M&A at Tullow Oil plc and was previously Chief Commercial Officer at FlowStream Commodities Ltd, a director at First Reserve Corporation and has also worked for Goldman, Sachs & Co as well as having held several non-executive directorships. Anastasia has a BSc. in Economics and Management from the Moscow State Geological Prospecting Academy and an MA in Energy and Mineral Resources from the University of Texas at Austin. She is a member of the Society of Petroleum Engineers.

Jeffrey Saunders MacDonald – Non-Executive Chairman (Age: 67)

Jeffrey MacDonald joined the Board in March 2021 as Non-Executive Chairman. Jeffrey is a former Managing Director with the global energy private equity firm, First Reserve, with responsibility for investment origination, structuring, execution, monitoring and exit strategy, with particular emphasis on the oil and gas sector. Before joining First Reserve, he was a founder and CEO of Caledonia Oil & Gas Ltd., a U.K.- based exploration and production (E&P) firm, and a founding member and managing director of Highland Energy Ltd. Most recently he held the position of Interim CEO and, prior to that, Non-Executive Director, of Kris Energy.

Gavin Hugh Lothian Wilson – Independent Non-Executive Director (Age: 59)

Gavin Wilson joined the Board in March 2021 as Independent Non-Executive Director. Gavin has held the position of Investment Director at Meridian Capital Limited, a Hong Kong based

international investment firm, for over a decade, managing an oil & gas portfolio focused on emerging markets. Gavin founded and managed two successful investment funds, RAB Energy and RAB Octane, for over seven years. Previously he was Managing Partner of Canaccord Capital London's Oil & Gas division, responsible for Sales and Corporate Broking/Finance. Gavin is also a non-executive director of PetroTal Corporation, Tag Oil Ltd and iMbokodo Exploration and Production Company.

Thierry André Nicolas Yao Tanoh – Independent Non-Executive Director (Age: 61)

Thierry Tanoh joined the Board in June 2023. Thierry is an experienced senior director with global experience, a strong track record in both public and private sectors and has held senior positions within African Government ministries. Thierry's relevant experience includes various roles within International Finance Corporation, including being Vice President within the Senior Executive Team and a member of IFC's credit committee based in Washington, and Director of Sub-Saharan Africa based in Johannesburg. Following 12 years with International Finance Corporation, Thierry was appointed as CEO of Ecobank Group, a pan-African banking conglomerate with banking operations in 33 African countries. Following his departure in 2014, Thierry was appointed a member of the office of the President of the Republic of Cote d'Ivoire, serving initially as Minister, Deputy Chief of Staff before being appointed as Minister for Oil, Energy and Renewable Energies between 2017-18. Thierry is a Certified Public Accountant (CPA, France), was awarded the Fulbright Scholarship and received an MBA from Harvard University and was awarded the World Bank Group Leadership and Diversity Award in 2006.

Company Secretary

Richard Andrew Cliff – General Counsel & Company Secretary (Age: 54)

Richard Cliff joined Afentra as General Counsel & Company Secretary in June 2021, having previously been a consultant to the Company from April 2021. Prior to joining Afentra, Richard was General Counsel & Company Secretary of FlowStream Commodities Ltd, an oil and gas streaming and royalties company. Richard is a Solicitor with nearly 30 years of experience, much of it in the oil and gas sector. Richard was previously a partner with Fasken Martineau LLP and Eversheds LLP and has also practised with Herbert Smith LLP and Milbank, Tweed, Hadley & McCoy LLP. Richard has an MA in Jurisprudence from the University of Oxford and is a member of the Association of International Energy Negotiators.

15 CORPORATE GOVERNANCE AND INTERNAL CONTROLS

The Directors are committed to operating in a safe, ethical and responsible manner and recognise the importance of sound corporate governance commensurate with the size of the Group and the interests of the Shareholders. The Directors consider that the Company complies, so far as practicable, with the QCA Corporate Governance Code published by the Quoted Companies Alliance to the extent appropriate having regard to the size and stage of the Group. The QCA Corporate Governance Code identifies 10 corporate governance principles that AIM companies should follow. Details of how the Company follows those 10 principles are set out in Part 2 of this document.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions. The Company holds formal Board meetings at least four times each financial year and at other times as and when required.

The Board is supported by the Audit Committee, the Remuneration Committee, and the Nominations Committee. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties.

Audit Committee

The Audit Committee's primary purpose is to review and report on the integrity of the consolidated financial statements and to monitor the Company's internal control arrangements including compliance with Group policies and procedures and its risk evaluation statements.

The Audit Committee is chaired by Thierry Tanoh and its other member is Gavin Wilson.

Remuneration Committee

The Remuneration Committee ensures executive remuneration is structured to align the performance of the Executive Directors with the expectations of the Company's stakeholders. It is also responsible for ensuring remuneration of the Non-Executive Directors is appropriate and proportionate.

The Remuneration Committee is chaired by Gavin Wilson and its other members are Jeffrey MacDonald and Thierry Tanoh.

Nominations Committee

The Nominations Committee reviews Board composition considering size, composition and balance of skills, experience and personal qualities in place and any areas which need strengthening. The Committee considers succession planning for the Board directors and leads any Board recruitment process, including the appointment of search agents. The Nominations Committee is chaired by Jeffrey MacDonald and its other members are Gavin Wilson and Paul McDade.

16 SHARE DEALING CODE

The Company has adopted a share dealing code for Directors and key employees which the Directors believe is appropriate for an AIM-traded company. The Company will comply with the AIM Rules and UK MAR.

17 SHARE OPTION SCHEMES

The Company operates the following share-based incentive arrangements pursuant to which awards over Ordinary Shares may be granted to executive directors and employees of the Group:

- the Afentra plc Founders Share Plan (the "**Founders Plan**"); and
- the Afentra plc Below Board Long Term Incentive Plan (the "**LTIP**"),

(together, the "**Share Plans**").

Each of the Share Plans is a discretionary share plan and is administered by the remuneration committee of the Board (the "**Remuneration Committee**").

Awards granted under either of the Share Plans may be satisfied by the issue of new Ordinary Shares, the transfer of Ordinary Shares held in treasury, the transfer of existing Ordinary Shares held by any employee benefit trust, or by the purchase of Ordinary Shares in the market.

The key terms of each of the Share Plans, together with the terms which are common to all of the Share Plans, are summarised in paragraph 6 of Part 7 of this document.

18 LOCK-IN ARRANGEMENTS

In accordance with the AIM Rules, each of the Directors and Askar Alshinbayev, whose interests in the Company, when taken together amount to 26.06 per cent. of the Ordinary Shares, has entered into a further lock-in agreement (the "**Lock-in Agreements**") pursuant to which they have undertaken to Peel Hunt and the Company:

- not to dispose of any interest in their Ordinary Shares (including any Ordinary Shares which they may subsequently acquire within one year of Admission) or any options to subscribe for Ordinary Shares for a minimum period of 12 months following Admission except in the very limited circumstances allowed by the AIM Rules; and
- in the case of the Lock-in Agreements with the Directors only, not to dispose of any interest in Ordinary Shares for a period of 12 months following the first anniversary of Admission otherwise than in an orderly manner through the Company's broker from time to time or any other broker in accordance with the terms of the lock-in arrangements.

19 ADMISSION TO TRADING, DEALING ARRANGEMENTS AND ADMISSION

It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence by the end of 2023.

The Ordinary Shares have the ISIN number GB00B4X3Q493, with SEDOL B4X3Q49. The Ordinary Shares are not dealt on any other recognised investment exchange and no application has been or is being made for the Ordinary Shares to be admitted to any such exchange.

20 WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Group, taking into account the Acquisition Facility and the Working Capital Facility, will be sufficient for its present requirements and for at least 12 months from the date of Admission.

21 DIVIDEND POLICY

The nature of the Company's proposed business means that it is unlikely that the Directors will recommend a dividend in the early years following Admission. The Directors believe the Company should seek to generate capital growth for its Shareholders but may recommend distributions at some future date when the investment portfolio matures and production revenues are established and when it becomes commercially prudent to do so.

22 TAXATION

The attention of prospective investors is drawn to the taxation section in paragraph 13 of Part 7 of this document.

23 CREST

The Articles permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain certificates will be able to do so.

24 FURTHER INFORMATION

Your attention is drawn to Parts 2 to 9 of this document which provide additional information.

25 GENERAL MEETING

Set out at in Part 8 of this document is a notice convening a General Meeting to be held electronically on <https://web.lumiagm.com> at 10 a.m. on 5 October 2023. The Chair of the General Meeting will be hosting the meeting at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL, at which the following resolutions will be proposed:

“ORDINARY RESOLUTIONS

- 1 THAT, the Adjusted Sonangol Acquisitions (as defined in the Admission Document) be and are hereby approved and the Directors (or any duly authorised committee thereof) be and are hereby authorised:
 - (a) to proceed with the Adjusted Sonangol Acquisitions (details of which are set out in Part 1 of the Admission Document) substantially on the terms and subject to the conditions set out in the Amended Sonangol Acquisition Agreement, a copy of which will be produced to the meeting and all other agreements and ancillary documents contemplated by the Amended Sonangol Acquisition Agreement;
 - (b) to do or procure to be done all such acts and things on behalf of the Company and Afentra Angola as the Directors consider necessary, desirable or expedient to implement, or otherwise in connection with, the Adjusted Sonangol Acquisitions; and
 - (c) to agree or procure the agreement of such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Adjusted Sonangol Acquisitions and/or to any documents relating to it, as the Directors (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.
- 2 THAT, the Azure Acquisitions (as defined in the Admission Document) be and are hereby approved and the Directors (or any duly authorised committee thereof) be and are hereby authorised:

- (a) to proceed with the Azule Acquisitions (details of which are set out in Part 1 of the Admission Document) substantially on the terms and subject to the conditions set out in the Azule Acquisition Agreement, a copy of which will be produced to the meeting and all other agreements and ancillary documents contemplated by the Azule Acquisition Agreement;
- (b) to do or procure to be done all such acts and things on behalf of the Company and Afentra Angola as the Directors consider necessary, desirable or expedient to implement, or otherwise in connection with, the Azule Acquisitions; and
- (c) to agree or procure the agreement of such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Azule Acquisitions and/or to any documents relating to it, as the Directors (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.”

26 RECOMMENDATION AND VOTING INTENTIONS

The Directors consider that the Acquisitions and Admission are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions at the General Meeting as those directors who hold shares in the Company have irrevocably committed to do so in respect of their own beneficial holdings amounting, in aggregate, to 9,245,939 Ordinary Shares Ordinary Shares, representing 4.20 per cent. of the Ordinary Shares.

27 ACTION TO BE TAKEN BY SHAREHOLDERS

The Company strongly encourages all Shareholders who wish to vote to utilise the electronic voting system to appoint the Chair of the General Meeting as their proxy (by logging on to www.signalshares.com and following the instructions or using the CREST Proxy Voting Services (under CREST Participation RA10)). In each case the proxy must be received by Link Group by 10.00 a.m. on 3 October 2023.

The completion of an electronic proxy appointment or transmission of a CREST Proxy Instruction will not preclude Shareholders from attending the General Meeting and voting electronically should they wish to do so. Accordingly, whether or not Shareholders intend to attend the General Meeting they are urged to utilise the electronic voting system to appoint the Chair of the General Meeting as their proxy or use the CREST Proxy Voting Services as soon as possible.

Yours sincerely,

Jeffrey Saunders MacDonald
Non-Executive Chairman

PART 2

CORPORATE GOVERNANCE

Statement of Corporate Governance

Afentra is committed to operating in a safe, ethical and responsible manner and the Board recognises the importance of high standards of corporate governance. The Board has adopted the QCA Corporate Governance Code which the Board considers appropriate for a Company of the size and stage in development of Afentra.

The QCA Corporate Governance Code identifies ten corporate governance principles that AIM companies should follow and the disclosures required for each of those principles. Details of how the Company follows these ten principles can be found in this Part 2 and in the Company's Annual Report.

Principle 1: Establish a strategy and business model which promotes long-term value for all shareholders

The Company's purpose is to support the African energy transition as a responsible, well managed independent Oil & Gas company working to enable the continued economic and social development of African economies and bridging the gap to the renewable forms of energy.

The Company's mission is to be the trusted partner of both IOCs and host governments in the divestment of legacy assets.

The Company's strategy is to focus on proven hydrocarbon basins where fields have been discovered or are currently producing. The Company intend to execute value accretive M&A, targeting robust cash flow and proven resources to support sustainable shareholder returns.

The Company intends to redevelop and unleash the full potential of legacy producing fields or undeveloped discoveries that no longer fit the portfolio of IOCs. The Company will do this in a safe, responsible and sustainable manner.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company seeks an open and transparent dialogue with shareholders with the desire to hear shareholders views on the performance of the Company and to understand shareholders' objectives and expectations.

Investor roadshow meetings will be conducted after the Company's preliminary and interim results and will aim to serve both institutional and retail shareholders. The Executive Directors are available to shareholders throughout the year.

Shareholder feedback is discussed at Board meetings.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

As a responsible company with a broader social purpose, the Company understand that it operates within a multi-faceted economic, legislative and social environment. The Company will engage with all the Company's stakeholders to understand and respond to their concerns, needs and opinions in order to ensure the ongoing sustainability of its business.

Afentra intends to identify and acquire assets adopting an effective operating approach that seeks to safely optimise and extend production whilst reducing harmful carbon emissions. The Company is developing a comprehensive ESG strategy which will govern its approach to its environmental, social and governance responsibilities.

Afentra is led by the Board and a management team with a proven track record of creating value and positive stakeholder outcomes through delivery of major hydrocarbon developments and production across Africa.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Group risk register is maintained by the Board and senior finance team.

Details of Afentra's internal control and approach to risk management can be found in the Business risk section of the Annual Report. The Audit Committee undertook an in-depth review of the Group's risk management procedures and reported its findings in the Company's 2022 Annual Report.

Any acquisition will be subject to due diligence and analysis of any risks to which the Company may be exposed. The Board is focused on reducing and managing any identified risks rather than eliminating all risk. Any acquisition of hydrocarbon assets inherently includes subsurface, operational and above ground risks and the Board has regard to such risks within its acquisition parameters. The Board seeks to eliminate HSSE risks and reputational risk.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

The executive team has a proven track record of creating value and positive stakeholder outcomes through delivery of major hydrocarbon developments and production across Africa. The Board the Non-Executive Directors bring significant industry and capital markets experience as well as an unwavering commitment to all aspects of Governance.

The Board is led by the Chairman, Jeffrey MacDonald. Thierry Tanoh and Gavin Wilson are appointed as independent non-executive directors.

Paul McDade, CEO, and Ian Cloke, COO and Anastasia Deulina, CFO and an Executive Director, were appointed in 2021.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board has significant experience of operating and developing major hydrocarbon assets across Africa as well as an established network across the relevant stakeholder audiences and director experience of energy transition in other geographies. The Non-Executive Directors bring significant industry and capital markets experience to the Board.

Most recently the Company has strengthened its Board with the addition of Thierry Tanoh as an Independent Non-Executive Director and Chair of the Audit Committee in June 2023.

Thierry Tanoh is an experienced senior director with global experience, a strong track record in both public and private sectors and has held senior positions within African Government ministries. Thierry's relevant experience includes various roles within International Finance Corporation (IFC), including being Vice President within the Senior Executive Team and a member of IFC's credit committee based in Washington, and Director of Sub-Saharan Africa based in Johannesburg.

Full details of each Board member and their relevant experience, skills and personal qualities are set out in paragraph 14 of Part I of this document, the Annual Report and on the Company's website.

Each Director takes responsibility for maintaining his or her own skill set which includes roles and experience with other boards and organisations.

Non-Executive Directors have a contractual right to receive external advice, at the Company's expense, when necessary.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Board annually performs a formal review of its own performance, which includes the assessment of its effectiveness. In addition, through the Audit Committee, the Remuneration Committee and the Nominations Committee, the Board receives regular updates on its performance.

Succession planning is the responsibility of the Nominations Committee who make recommendations to the Board regarding Board composition and succession planning going forward.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Company's purpose is to support the African energy transition as a responsible, well managed independent Oil & Gas company enabling the continued socio-economic development of African economies and bridging the gap to the renewable forms of energy. This purpose is embedded in

everything that the Company do, including its name, which signifies its purpose: African Energy Transition. The Company is committed to the transformation of the energy sector to a lower carbon world.

The Board is committed to its ESG responsibilities and these are embedded in its strategy.

Afentra is committed to equal opportunities and intends to recruit, train, promote and retain skilled and motivated people regardless of gender, race, religion, age, disability, sexual orientation, marital status or ethnic or national origin.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Chairman leads the Company's approach in the key areas including governance, corporate culture and risk appetite. The Chairman is the main point of contact for shareholders and other stakeholder groups.

The CEO leads the Company and implements the strategy to focus on value accretive M&A, proven resources and target robust cash flow to support sustainable shareholder returns.

A formal schedule of matters reserved for the Board's decision includes acquisitions and disposals, strategic planning, authorisation of major capital expenditure and major contractual arrangements, approval of budgets and financial statements, taking on debt, as well as setting policies for the conduct of business including the remuneration policy of Directors and senior management.

Details on the composition of, and roles fulfilled by, the Audit Committee, Remuneration Committee and Nominations Committee are set out in paragraph 15 of Part 1 of this document.

In the future a Sustainability, Health, Environment & Safety Committee will be formed for oversight of operations.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company's website contains information about its business activities and gives access to the Company's Annual Report and Accounts, the Company's previous Notices of Annual General Meetings, and the Company's Memorandum and Articles of Association.

The work of the Audit Committee, Remuneration Committee and Nominations Committee is set out in the Annual Report.

PART 3

OVERVIEW OF THE OIL & GAS E&P INDUSTRY IN ANGOLA

1 ANGOLA'S IMPORTANCE AND THE OIL SECTOR

Angola is a country located on the west coast of Sub-Saharan Africa with a Gross Domestic Product of US\$107 billion, a population of 35.6 million and a per capita income of US\$ 2,999 by end of 2022 according to the World Bank.

Angola's economic fortunes have been tied to global oil demand, which brought volatile growth and left the country with high levels of poverty and inequality. Transforming the state-led and oil-funded economic model into a sustainable, inclusive, private-sector-led growth model requires high-level political commitment, strong coordination and communication capacity, and solid institutions. While much remains to be done to achieve this transformation, reforms over the past five years have improved macroeconomic management and public sector governance. Macroeconomic stability has been enhanced through a more flexible exchange rate regime, central bank autonomy, sound monetary policy, and fiscal consolidation. Laws to allow greater private sector participation in the economy, increase the stability of the financial sector, and reduce the impact of oil revenue volatility on public finances have also been introduced. Angola is an OPEC member and subject to its direction regarding oil production levels.

2 ANGOLAN PETROLEUM HISTORY

Angola has a proven petroleum system with bitumen and viscous crude oil from seeps used as fuel in Angola for several centuries. Hydrocarbon exploration began in 1910 over an area covering the Lower Congo and Kwanza basins. Early exploration was relatively intense but did not yield any commercial discovery and the second world war paralysed activity. After commercial discoveries in both basins, initial production commenced onshore in 1956 before extending into the shallow water in the 1970's.

New concessions and joint ventures were negotiated from 1966 to 1975 between the Portuguese colonial government and foreign oil companies. Following Angolan independence in 1975, Sonangol was established and by 1979 the fiscal and regulatory framework was in place, a new model contract was published based on a production sharing contract. The civil war from 1975 to 2002 disrupted further exploration but in the 1990's the deepwater was opened up and this has driven the latest phase of development and production with several licensing rounds of varied success in 2005/2006, 2007/2008, 2010/2011, 2013, 2019 and a few ad-hoc awards. Drilling activity has focused on the deepwater and ultra-deepwater over the last 10 years although the 2014 oil price collapse caused a severe decline in activity.

Angola Offshore

Oil production peaked at just over 2 million barrels of oil per day in 2008-2010 but has declined since to around 1.16 million barrels of oil per day in 2022 due to the maturity of its shallow water and deepwater oil fields and a lack of development projects. TotalEnergies' Kaombo development has offset some of the decline as has Block 15/06 operated by Azule but more developments are needed to bolster supply. Gas has been re-injected in deepwater fields until Angola LNG commenced operation in 2013. Angola has endorsed the World Bank's "Zero Routine Flaring by 2030" initiative and is therefore committed to eliminating routine flaring of gas. A no-flaring policy is typically part of approved field development plans but flaring is permitted in limited circumstances under article 73 of the Petroleum Activities Law, approved by Law 10/04, of 12 November 2004 ("PAL") or when authorised by MIREMPET.

The 5.2 mmtpa (1.1 bcf/d) Angola LNG ("ALNG") plant is located in northern Angola. ALNG is fed by associated gas from Cabinda areas A&B, Blocks 14,15,17,18, 31 and 32 via a network of gas pipelines with hubs in each block. ALNG use of associated gas as the primary feed source is unlike most other LNG projects. As a result, the plant contributes significantly to elimination of flaring in Angola allowing for the development of offshore oil reserves in an environmentally friendly manner.

The majority of crude is tanker loaded for direct export. The remainder is piped onshore to a terminal in Cabinda. There are eleven different crude blends with Block 3 fields used as feedstock

to the 40,000 bo/d Luanda refinery. A 60,000 bo/d refinery is being built in Cabinda and 200,000 bo/d refinery is being built at Lobito.

Angola Oil production history

Angola has 15bboe (Woodmackenzie, 2020) of discovered resources of which 4.5 bbo are onstream, under development or to be developed. It ranks as the 4th largest oil reserve holder among Africa countries.

3 THE ANGOLAN REGULATORY REGIME

The general legal framework in Angola as it relates to exploitation and production companies

Ownership of petroleum resources is vested in the State of Angola.

The Block 3/05 PSA, Block 3/05A PSA and Block 23 PSA were entered under the PAL, as amended, currently also subject to the Petroleum Operations Regulation, approved by Decree 1/09, of 27 January 2007 (“**POR**”). Without prejudice to other applicable legislation, the PAL and the POR are governing regulations in the petroleum sector of Angola.

The PAL establishes that the exploration and production of hydrocarbons may be carried out under PSAs, which shall define the area of the exploration permits, their duration, the modalities of exploration and production works, and the rules for sharing the production. PSAs also provide the applicable economic, financial, fiscal and customs rules, as well as the rights and obligations of the contractor group, which shall be construed alongside the special legal framework applicable to the petroleum sector (e.g. tax, customs, foreign exchange etc.). PSAs are to be signed by each member of the contractor group and the National Concessionaire and approved by a concession decree.

The official price of crude oil is set by the State of Angola and shall reflect the market price at the time.

The National Concessionaire is a State of Angola entity. This role is currently vested in the National Agency for Petroleum, Gas and Biofuel (*Agência Nacional de Petróleo, Gás e Biocombustíveis*), also referred to as “**ANPG**”. Prior to the creation of ANPG in 2019, the role of National Concessionaire was vested in Sonangol EP. The National Concessionaire is responsible for the exploration and production of petroleum and all related or associated substances. The National Concessionaire may decide to pursue such exploration and production activities alone or in association with other entities (e.g. through a PSA or other formats allowed under the PAL). The National Concessionaire is also responsible for all financial operations related directly or indirectly to the petroleum industry, ensuring the commercialisation, importation, exportation and distribution of all or part of the petroleum products, and managing most participations of any nature whatsoever relating to petroleum on behalf of the State of Angola, alone or in association with other entities. Sonangol EP holds and is expected to continue holding (through other Sonangol group companies, notably Sonangol) participating interests in petroleum concessions in Angola, although it no longer fulfils the role of National Concessionaire.

Any petroleum permit holder is liable for damage caused by its activity which is not limited to the perimeter of the permit nor to the validity period of that permit, and, therefore, must subscribe to one or more insurance policies covering all the anticipated risks. The operator may be responsible for petroleum operations and specific duties under the law and petroleum agreements, but generally responsibility is allocated to the contractor group for a permit in accordance with their respective participating interests. In Angola, JOAs typically have an exception whereby the operator is responsible for wilful misconduct or gross negligence, which can focus liability on the operator in such cases.

Entities carrying out petroleum activities on the territory of Angola are required to adhere to, and implement, all the rules, directives and instructions defined by the State of Angola, as part of its local content requirements, as well as to implement all regulations concerning quality, health, hygiene, security, safety and environment, in accordance with the Angolan legal requirements. The State of Angola requires a policy of training and employing the national human resources of the sector, by giving priority to the hiring of Angolan nationals with the required level of skills and qualifications (where available).

The contractor party is liable for the following tariffs, duties, taxes and contributions:

- Petroleum Income Tax (PIT) – payable on the actual profit computed in accordance with the rules established in Law 13/04, of 24 December 2004. Under PSAs, PIT is payable per development area, on profit oil attributed to each oil company, less the oil shared with the National Concessionaire. The rate for PIT is 50% for PSAs (with the possibility of a rate reduction to 35% under the Presidential Decree 3/12 of 16 March 2012);
- Petroleum Production Tax (PPT) – In addition to the PIT, oil companies operating as partners of Sonangol on concession agreements must pay a production tax on an annual basis. The flat rate of 10% or 20% on the officially controlled crude oil output or sales per year. Petroleum and other substances produced under PSAs are not subject to this tax;
- Petroleum Transaction Tax (TTP) – TTP is levied at a rate of 70%. Petroleum and other substances produced under PSAs are also not subject to this tax. TTP is a tax determined at the time of the petroleum transaction and it is assessed provisionally on a monthly basis until the last day of the month following the month in which the oil withdrawals occur. In definitive terms, the TTP assessment must be made during the month of March of the year following the year to which the tax relates (through Model 3 submission). The provisional assessments must be paid within the period established for provisional assessment and the payment of the final settlement shall be made within 30 days of the date of notification of the final settlement. TTP is calculated on the basis of the taxable income determined for PIT purposes, to which the following deductions are made:
 - Production premium – on crude oil and liquid gas volumes (for example a unit value per barrel sold subject to annual update based on variation of consumer price index or internal rate of return); and
 - Investment premium – corresponds to a given percentage of the amounts invested from the beginning of production and which were capitalised in each fiscal year.

The production premium and investment premium should be fixed in the respective concession diplomas.

The TTP is deductible for the purpose of PIT.

- Surface Charge – is due at an annual amount of US\$ 300 per km². This charge is payable in the month following the month in which either a concession is granted or a commercial discovery is declared, respectively for areas of the concession granted or declared development area; and
- Training Levy (“*Contribuição para a formação de quadros angolanos*”) – oil companies are required to pay a training contribution to the Angolan State to assist in the financing for training Angolan individuals (Article 57 of the Law 13/2004, of 24 December 2004). The training levy is imposed differently for oil companies (and depending on the phases of the petroleum activities carried out) and for the suppliers of goods and services to oil companies. Decree-Law 17/09, of 26 June 2009, defines the amount of the levy for the training of Angolan personnel, as well as other rules, including collection thereof.

These taxes are paid by the operator on behalf of the contractor group. However, the contractor group members are jointly liable for these payments. The calculation of the taxable income and the taxes assessment shall be made entirely autonomously and independently of each other, by reference to each development area in which the associates of the National Concessionaire have interests (expenses incurred with exploration under a PSAs are communicable). In addition, in relation to their activities in the Concession Area, the associates of the National Concessionaire which belong to the contractor group are usually excluded from any other taxes, obligations, fees or contributions, of whatever nature, whether ordinary or extraordinary, national, provincial or municipal, present or future, except for the “*ad valorem*” statistical rate of one per thousand and the Stamp Duty on customs clearance documents. It should be noted that other general taxes may be applicable if the complementary activities to petroleum operations, carried out by the operators, fall within the scope of any other tax or fee.

All petroleum activities carried out by the contractor group are subject to VAT at a rate of 14%. When applicable, the contractor group shall be entitled to a reimbursement of all VAT on local purchases of goods and services of any kind, subject to the provisions of the VAT Code approved by Law 7/19, of 24 April 2019. If a credit is computed for more than three months and its amount is

higher than Kz. 300,000.00, a refund may be requested. Refunds shall be analysed by the Angolan Tax Authorities up to the end of the third month following the reimbursement request. After this deadline, if the credit is due, the taxable person can request the settlement of compensatory interest. Once confirmed, the reimbursement is granted: (i) in cash or tax credit certificate to be issued by the Angolan Tax Authorities or (ii) when the taxable person has any tax debt a compensation is made.

Within petroleum contracts, the contractor group, and all third parties acting on its behalf, benefit from a share of all oil produced on the respective contract area and may, on the terms set forth in each PSA and associated contracts, lift and freely use such share of production.

All petroleum activities on Angolan territory are exclusively governed by the laws and regulations in force in Angola.

The process for obtaining exploration and production licences (including details of any approvals of permits required and local content requirements)

Access to the petroleum sector is by way of public tenders or direct consultation. The National Concessionaire is the holder of the mining rights in Angolan territory. According to the PAL and Presidential Decree 86/18, of 2 April 2018, when the National Concessionaire intends to carry out petroleum operations in a determined area, the Angolan Government may, at the request of the National Concessionaire, directly grant the concession. However, if the National Concessionaire intends to associate with third parties, it is required to launch a public tender procedure for such purpose.

In accordance with the PAL, third party associates of the National Concessionaire may be confirmed through direct negotiation with the National Concessionaire if a public tender has been conducted in accordance with the PAL and: (i) the concession has not been attributed due to no bids being presented; or (ii) the concession has not been attributed due to the bids being unsatisfactory in relation to the adjudication criteria.

There are several forms of petroleum contracts provided for in the PAL, however this summary focuses on the PSAs.

PSAs grant the contractor group the exclusive right to carry out petroleum activities.

In all PSAs, the National Concessionaire is entitled to purchase Crude Oil out of contractor group's share of Profit Oil at the Market Price. The contractor group is entitled to the recovery of oil costs which it has incurred and regarding petroleum operations within the zones of production of a PSA by taking a portion of the production of petroleum coming exclusively from these zones. The cumulated oil costs are recovered by the contractor group according to the terms defined in the PSA.

The process for transferring any exploitation, production or exploitation rights (including any statutory rights or first refusal or pre-emption)

The rights and obligations of the contractor group in PSAs are transferable, subject to the approval of MIREMPET. The request for authorisation of the transfer must include the participation that the third-party assignee will have in the contract and must be submitted to National Concessionaire for prior approval of the transaction documents.

The transfer of quotas or shares representing more than 50% of the share capital of the entity holding the participating interest is assessed under the PAL as a transfer of contractual position, and subject to prior approval.

In the case of a transfer to an entity which is not an affiliate, the National Concessionaire, national associates holding the status of national enterprise under the PAL, and Sonangol EP have pre-emption rights.

All transfers are subject to the relevant and applicable tax rules.

All transfers that violate the provisions of the PAL or the PSA are deemed null and void.

The transfer or assignment of rights and obligations arising from a petroleum contract, whether operated by way of sale, contribution, assignment or any other method, as well as by a change of control, are not subject to a specific transfer tax, while the profits or capital gains realised are

included in the general computation of profits subject to taxation under the general terms established in Law 13/04, of 24 December 2004 referred above.

The circumstances in which such licences may be revoked or cancelled by any regulatory body

The concession is extinguished by (i) agreement between the State of Angola and the National Concessionaire, (ii) rescission, (iii) resignation of the National Concessionaire; (iv) redemption or (v) expiration:

- Mining rights may be extinguished by agreement between the State of Angola and the National Concessionaire, upon the latter's request in which the technical or economic unfeasibility of oil production in the contract area is demonstrated, on a reasoned basis the technical or economic unfeasibility of oil production in the Concession Area (article 52 of the PAL);
- The Government may terminate the concession based on the following grounds (article 56 of the PAL):
 - Unjustified failure to carry out petroleum operations under the terms set out in the approved plans and projects;
 - The abandonment of any petroleum deposit without the prior authorisation from the MIREMPET;
 - Serious or repeated violations in the execution of petroleum operations; or
 - The intentional extraction or production of any mineral not covered by the object of the concession;
- The National Concessionaire may resign all or part of the contract area at any time during the production period by giving one year's notice to the MIREMPET, provided that it has fully complied with all its legal and contractual obligations up to the date on which the relinquishment becomes effective (article 54 of the PAL);
- Concessions may be totally or partially redeemed by the State of Angola, upon proposal of the MIREMPET for reasons of public interest, upon payment of fair compensation under the general terms of law (article 55 of the PAL);
- Expiration occurs upon (article 56 of the PAL):
 - End of the exploration period or of their extensions;
 - Extinction of the National Concessionaire; or
 - Verification of a resolute condition when provided for in the Concession Decree.

Upon termination of the concession, all equipment, instruments, installations, and any other assets acquired for the performance of the petroleum operations, as well as all information of a technical and economic nature prepared during execution of such operations shall revert free of charge to the National Concessionaire (article 57 of the PAL).

Exploration licences are extinguished by (i) rescission; (ii) resignation and (iii) expiration (article 40 of the PAL):

- According to article 41 of the PAL, the prospecting licence may be terminated by the MIREMPET, upon consulting the National Concessionaire, in the following cases:
 - The licensee fails to comply with its legal obligations or those imposed by the license;
 - Force majeure occurs of a definitive nature which makes it impossible for the licensee to fully comply with the obligations undertaken;
- The licensee may resign from the licence, provided that all its legal obligations or obligations imposed by the licence have been fulfilled by the date on which the surrender becomes effective (article 42 of the PAL); or
- The expiration of the licence occurs with (i) term of its period of validity; (ii) the termination of the licence holder; and (iii) the verification of a resolute condition when provided for in the licence.

Domestic market obligations and restrictions on the export of oil or gas

The Angolan Government may require the National Concessionaire or the contractor group with prior notice of 90 days to deliver part of the production oil destined for domestic market needs to be defined by the State of Angola, up to 40% of total production of Angola provided that this does not exceed 40% of the total production of the particular concession area. The price of petroleum intended for the satisfaction of the needs of the national industry is calculated in accordance with the provisions on the valuation of oil for tax purposes and is to be paid in an internationally convertible currency within 30 days of the end of the month in which the withdrawal occurs.

The use of natural gas in petroleum operations is mandatory and flaring natural gas is expressly prohibited, except for a short period of time, and when required for testing or other operational reasons.

The regulatory regime for the transportation, transmission and distribution of oil and gas

The Petroleum Products Regulatory Institute has the authority to authorise the construction of transportation infrastructures, as well as their operation. The rules of construction, operation and security for such infrastructure, as well as their modalities of access, are established through implementation of the legislation.

The regulatory regime for third party access to the oil and transportation infrastructure

Operators of transport networks and storage infrastructure must guarantee freedom of access to third-party users and respect the principles of price transparency, equal treatment, and non-discrimination, within the limits of the available capacities of these networks and subject to the priority of access of the operators of mentioned networks.

Disclosure obligations

Any person conducting petroleum activity in Angola shall keep confidential the data or information of a technical and economic nature provided by the licensees, the National Concessionaire, and their associates. Information that must be provided to other entities by force of law, namely for budgetary, accounting, and statistical purposes are excluded from this obligation.

Failure to comply with disclosure obligations constitutes an infraction for which a penalty may be imposed. Termination of the licence or concession terminates the disclosure obligations without prejudice to surviving confidentiality obligations which are generally set in the PSAs or JOAs.

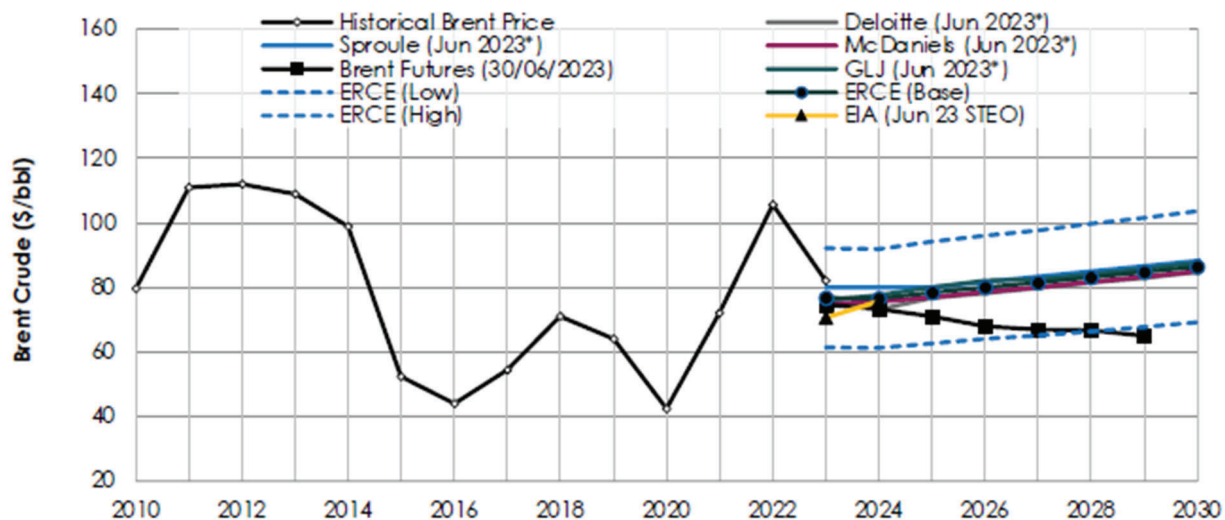
4 GLOBAL ENERGY TRENDS AND OUTLOOK

According to the Short-Term Energy Outlook published by the IEA in September 2023, Brent crude oil price is expected to average \$93/bbl during Q4 2023, up from \$86/bbl in August 2023. The Short-Term Energy Outlook and forecasted Brent price, incorporates the expected drop in global oil production, including the announcement made by Saudi Arabia on 5 September 2023, to continue its voluntary crude oil production cut of 1MMbbl/d program to the end of 2023, which was previously expected to expire in September 2023. As a result of this extension of the production cut, the global oil inventories in IEA's forecast fall by 0.2 million b/d in Q4 2023. The IEA expect the Brent price eases to an average of \$87/bbl by the second half of 2024 as they anticipate global oil inventories to rise during that period.

The medium-term consensus is that Asia will be the main driver of demand growth. According to the IEA, India is expected to see the largest increase in energy demand of any country. Demand is forecast to rise more than 3% when it becomes the world's most populous country by 2025. On supply side, according to Goldman Sachs, non-OPEC ex-shale is to remain broadly flat in the coming years and shale is to slow down and peak by 2026-27, leading to a call on OPEC of 1.6MMbbl/d by 2025.

In the long-term, OPEC expects global demand for all forms of energy to rise by 23% through 2045. OPEC also highlighted the need for continued investment in oil, warning that prices will otherwise spike higher. Many see calls to limit or stop funding new oil projects as unrealistic and unwise as the world will need all forms of energy

Nominal Brent Crude Forecast by Consultants, Lenders Vs. Brent Historical and Futures Curve



*Publication date

Figure 3.1 – Brent crude oil price deck: Historical Brent price & forecasts (Source: ERCE – Energy Review Q3 2023)

PART 4

RISK FACTORS

In addition to the other information set out in this document, the following specific factors should be considered carefully in evaluating whether to make an investment in the Company.

This document contains certain forward-looking statements, which have been made after due and careful enquiry and are based on the Board's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to, *inter alia*, the risk factors described in this Part 4. The Board believes that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Factors that might cause a difference include, but are not limited to, those discussed in this Part 4. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. The Company disclaims any obligation to update any such forward looking statements in the document to reflect future events or developments.

However, the risks listed do not necessarily comprise all those associated with an investment in the Company. In particular, the Company's performance may be affected by changes in market or economic conditions and in legal, regulatory and/or tax requirements. The risks listed are not set out in any particular order of priority.

If any of the following risks were to materialise, the Enlarged Group's business, financial condition, results or future operations could be materially and adversely affected. In such cases, the market price of the Ordinary Shares could decline and an investor may lose part or all of their investment. Additional risks and uncertainties not presently known to the Board, or which the Board currently deem immaterial, may also have an adverse effect upon the Enlarged Group and the information set out below does not purport to be an exhaustive summary of the risks affecting the Enlarged Group.

RISKS RELATING TO THE ACQUISITIONS

The Acquisitions may not complete or completion of one or both of the Acquisitions may be delayed

Sonangol Completion is subject to the satisfaction of the Sonangol CPs. The Sonangol CPs must be satisfied by 31 December 2023 or the Amended Sonangol Acquisition Agreement may be terminated. There is a risk that the Sonangol CPs will not be satisfied on a timely basis (in which case, Afentra Angola will seek to agree an extension to the longstop date with Sonangol) or at all. If such conditions are not satisfied, or, where applicable, not waived, the Adjusted Sonangol Acquisitions will not be completed. Should the Adjusted Sonangol Acquisitions not receive Shareholder approval and therefore the Sonangol GM Condition is not satisfied, the Adjusted Sonangol Acquisitions will not proceed. In the event that the Sonangol GM Condition is satisfied but the other Sonangol CPs are not satisfied following the General Meeting, the Adjusted Sonangol Acquisitions will not be implemented.

Further, as described in paragraph 3 of Part 1 of this document, in addition to the Sonangol CPs, Sonangol Completion was subject to the waiver or lapse of certain pre-emption rights and approval by APNG.

Azule Completion is subject to the satisfaction of the Azule CPs. The Azule CPs must be satisfied by 18 July 2024 or the Azule Acquisition Agreement may be terminated. There is a risk that the Azule CPs will not be satisfied on a timely basis (in which case, Afentra Angola will seek to agree an extension to the longstop date with Azule) or at all. If such conditions are not satisfied, or, where applicable, not waived, the Azule Acquisitions will not be completed. Should the Azule Acquisitions not receive Shareholder approval and therefore the Azule GM Condition is not satisfied, the Azule Acquisitions will not proceed. In the event that the Azule GM Condition is satisfied but the other

Azule CPs are not satisfied following the General Meeting, the Azule Acquisitions will not be implemented. In addition, if the Angolan Competition Authority does not provide competition clearance for the Azule Acquisitions if required and therefore the Azule Competition CP is not satisfied, the Azule Acquisitions will not proceed.

Ministerial Authorization of the Acquisitions

The Acquisitions require ministerial authorization by MIREMPET. The Company has held meetings with Sonangol, ANPG, and MIREMPET during which the respective parties estimated that receipt of ministerial approval would take place in Q4 2023. The ministerial authorization is an express condition to completion of the Acquisitions, and the Board has no reason to believe such authorization will not be forthcoming in the form of an Executive Decree by MIREMPET (which is an Azule CP and a Sonangol CP), which is published in the Official Gazette.

Each of the Acquisitions is also subject to approval by APNG (receipt of which is both a Sonangol CP and an Azule CP).

Angolan Competition Authority Approval of the Azule Acquisitions

Azule received notification from the Angolan Competition Authority on 11 September 2023 that it is of the view that competition clearance is required for completion of the Azule Acquisitions. The Company does not agree with this view and intends to seek further clarification on this matter, although if such notification and clearance is required, based on legal advice received by the Company, the Company estimates that the Angolan Competition Authority clearance will be received in Q4 2023. The Angolan Competition CP is an express condition to completion of the Azule Acquisitions, and the Board has no reason to believe such clearance if required will not be forthcoming. However there is a risk that the Angolan Competition Authority clearance if required is not received and if this is the case the Azule Competition CP would not be satisfied in which case the Azule Acquisitions would not complete.

Afentra Angola may not acquire all the Target Assets

The Acquisitions are not inter-conditional. In the event that a Sonangol CP cannot be satisfied and Sonangol Completion does not occur, Azule Completion will still occur (subject only to satisfaction of the Azule CPs). In the event that an Azule CP cannot be satisfied and Azule Completion does not occur, Sonangol Completion will still occur (subject only to satisfaction of the Sonangol CPs). Further, the acquisition of the Azule Block 3/05 Interest and the Azule Block 3/05A Interest are not inter-conditional. If a party holding pre-emption rights over the Azule Block 3/05 Interest exercises that pre-emption right and the other Azule CPs are satisfied, Azule Completion will still occur in respect of the Azule Block 3/05A Interest. Similarly, if a party holding pre-emption rights over the Azule Block 3/05A Interest exercises that pre-emption right and the other Azule CPs are satisfied, Azule Completion will still occur in respect of the Azule Block 3/05 Interest. In either instance, the Azule Acquisition Agreement provides for a proportionate reduction in the consideration payable by Afentra Angola to Azule in the event that risk materialises.

The Enlarged Group may not acquire the full Azule Block 3/05A Interest

The Azule Acquisition Agreement provides for the acquisition by Afentra Angola of the Azule Block 3/05A Interest; however, the acquisition of 21.33% of the Azule Block 3/05A Interest is subject to China Sonangol's exit from the Block 3/05A PSA in accordance with the Block 3/05A JOA and the subsequent re-allocation of China Sonangol's interest *pro rata* among the other members of the Block 3/05A contractor group. Although the Company expects this to occur, final governmental approval has not yet been received and there remains a risk that, even if the Azule Completion occurs, the Company will acquire only a 12% participating interest in Block 3/05A from Azule and in these circumstances the Company would have only a 16% aggregate participating interest in Block 3/05A. The Azule Acquisition Agreement provides for a proportionate reduction in the consideration payable by Afentra Angola to Azule in the event that risk materialises.

Due diligence on the Target Assets may not have uncovered all potential issues and liabilities

The Company has carried out detailed due diligence on the Target Assets, however, the due diligence carried out may not have revealed all defects in the physical condition or ownership of the Target Assets. This is particularly a concern with aged infrastructure, as is the case for Block 3/05.

Whilst the Acquisition Agreements provide some contractual protection as to the ownership and condition of the Target Assets, there is no guarantee that the Company will be able to recover all or a substantial proportion of any losses suffered. Hence there is a risk that once acquired, the Target Assets do not perform as expected. A material level of defects could have an adverse impact on the Enlarged Group's ability to implement its business plan and could adversely impact the Enlarged Group's ability to realise the benefits of the Acquisitions or delay their realisation.

Previous environmental audits in respect of the Target Assets have identified certain areas of environmental non-compliance. It is possible that the Company's due diligence has not identified all potential issues in this area and, while Sonangol has confirmed it is taking corrective actions to address its non-compliance, the Company has been informed that such actions are still ongoing. The Company is not aware of an independent human rights risk assessment being conducted by Sonangol. The Company intends to work with Sonangol following completion of the Acquisitions to ensure the corrective actions for these non-compliance findings are addressed.

As Block 23 is in the exploration phase and as there is no ongoing work programme, no trading results or cashflow estimates were made available to the Company or its advisors by Sonangol during the due diligence exercise in respect of the Block 23 Acquisition.

The Enlarged Group may not be able to fully realise the benefits of the Acquisitions

The Enlarged Group's success will partially depend upon the Company's ability to integrate the INA Assets and the Target Assets, which is expected to be relatively straightforward given they are minority, non-operational interests. The Target Assets will be significant acquisitions for the Company and this integration may divert management's attention from other operational matters and raise unexpected issues and may take longer or prove more costly than anticipated. Although the Directors believe that such disruption is unlikely, issues may come to light during the course of integrating the Target Assets into the Enlarged Group that may have an adverse effect on the financial condition and results of operations of the Enlarged Group. There is no assurance that the Company will realise the potential benefits of the Acquisitions. The Enlarged Group's success will partially depend on there being no adverse change in the Target Assets between the date of this document and the completion dates of the Acquisitions.

Joint venture partner alignment and other contractual counterparties

The Enlarged Group will be a holder of certain minority economic interests in the underlying assets and is not the operator of any of the acquired interests. Participation in the INA Assets and the Target Assets is conducted in a joint venture environment, which often involves governmental counterparties. The INA Assets and all of the Target Assets are operated by joint venture partners and the Enlarged Group's ability to influence certain of these operating partners may be limited due to the Enlarged Group's limited working interest and lack of operatorship in such ventures. There is a risk that joint venture partners are not aligned in their objectives and drivers and this may lead to operational or production inefficiencies or an inability to increase production levels as desired and/or delays, or a disruptive departure by one or more partners from the joint venture. There was a liability due by Sonangol of US\$5.8m arising from the historic late payment of a cash call under the Block 3/05 JOA by Sonangol in its capacity as a joint venture partner. The matter has been resolved and as the liability arose prior to the effective date in the Amended Sonangol Acquisition Agreement it would have remained a liability of Sonangol. There is also the risk that a joint venture partner may default in its obligations under a JOA (or other contractual arrangements relating to the INA Assets and the Target Assets) and in some cases, such default could result in additional costs and liabilities accruing to the Target Group which may not always be recoverable. The Group is not aware of any current defaults under a JOA or other contractual arrangements related to the INA Assets or the Target Assets. Although in relation to flaring, the Company understands from Sonangol that the actual flared gas amount for Block 3/05 is below permitted limits in Angola but that Sonangol has advised partners to disregard measurements until new metering is installed given gas measurements to date are viewed as unreliable. In general it is not certain that a counterparty will itself not default on its obligations or, in the case of a governmental counterparty, that a state or local government will assume liability for the obligations of a governmental counterparty in the event of default. Any mismanagement of these projects by the operator may result in increased costs to the Enlarged Group which could adversely affect its business, results of operations, cash flow and prospects.

Aged Infrastructure

The majority of the oil and gas installations and infrastructure of Block 3/05 have been in production for over 35 years and due to their age, there has been some degradation in terms of the condition of the infrastructure on the Block.

Technical problems, additional costs, and health and safety and environmental issues may be more likely occur from time to time during the petroleum operations on Block 3/05 as a result of the long life of the infrastructure and the continuing need to repair and update equipment. In the event that the operator of Block 3/05 does not carry out effective maintenance and upgrades of the infrastructure this may have an impact on the Company's interest in Block 3/05 and the economic life of the fields in Block 3/05.

Sanctions and bribery/corruption related risks

NIS holds a 4% interest in Block 3/05. Previously Gazprom Neft held 56.15% of NIS' share capital. However, 6.15% of the share capital is now held by PJSC Gazprom ("**Gazprom**") and Gazprom Neft now owns 50% of NIS' share capital. Gazprom Neft is currently targeted by US, EU and UK sanctions, and Gazprom is targeted by sanctions in the US (and elsewhere – not including the EU and UK). The nature of the restrictions imposed by those sanctions varies across the regimes. The transfer of 6.15% of NIS' share capital from Gazprom Neft to Gazprom, occurred around the time the EU instructed a restriction prohibiting all EU persons from directly or indirectly engaging in any transaction with Gazprom Neft and non-EU entities more than 50% owned by Gazprom Neft (unless an exception was available or prior authority obtained from a competent authority in an EU Member State). The share transfer appears to have brought the shareholding of Gazprom Neft to 'no more than' 50% of NIS. However, the timing of the divestment is such that the change of ownership of the 6.15% share capital in NIS could be viewed as a circumvention by EU regulators. Whilst the sanctions risk for the Company proceeding is assessed to be low for a number of reasons, there is a risk that Gazprom Neft and / or Gazprom may be the subject of additional sanctions in the future, including potentially being made the subject of an asset freeze which would prevent any dealings with them. If Gazprom Neft and/or Gazprom were made the subject of an asset freeze, that asset freeze may extend to NIS. and NIS' shareholding in Block 3/05 (amounting to 4%) would be frozen and could not be sold. As NIS only has a 4% interest in Block 3/05, the Block itself would not be subject to an asset freeze (were it to extend to NIS), however, there could be practical problems in that some suppliers may refuse to supply equipment for use on the Block, some counterparties may refuse to buy oil from Block 3/05 due to the connection with Gazprom Neft / Gazprom, and banks may be concerned about processing payments connected with Block 3/05. These would be decisions based on risk appetite rather than the application of sanctions and the Company anticipates the challenges would be capable of being navigated and managed.

Sonangol reportedly holds 20% of the share capital of an indirect subsidiary of PdVSA. PdVSA, which is understood to hold 60% of the share capital of that indirect subsidiary, is currently targeted by US sanctions. As such, Sonangol appears to have an interest in a company that is blocked by US sanctions as a result of PdVSA's shareholding in that entity. This does not mean that Sonangol is blocked (or sanctioned). It could nevertheless create indirect sanctions risk if Sonangol were to breach US sanctions in its conduct relating to the indirect subsidiary, or to PdVSA, and OFAC were to decide to take action against Sonangol. The Company has adopted extra precautions to ensure that Sonangol is not sanctioned at any time when the Company transacts with Sonangol. Sonangol also holds an interest in a separate company alongside a minority shareholder that is currently targeted by US sanctions. The reported interest that the minority shareholder holds would not result in the US sanctions extending to the company in which Sonangol holds an interest.

Sonangol EP (the owner of Sonangol) has been subject to corruption allegations for decades, with government officials and high ranking Sonangol EP employees alleged to have benefitted from Sonangol EP's seemingly opaque financial reporting, transactions in which there were suspected conflicts of interest and the alleged direct misappropriation of funds from Sonangol EP. The allegations in the media have largely placed Sonangol EP as the victim of actions taken against the interests of the company by employees and officials (as opposed to Sonangol EP being the perpetrator of the wrongdoing). The extent of adverse allegations in the media has significantly lessened in the last 5 years and there is evidence that Sonangol EP is taking steps to develop and enhance an anti-bribery and corruption programme to enhance its internal governance and controls.

Risks relating to the Block 3/05 PSA

As noted above the Sonangol CPs included a requirement for the National Concessionaire's agreement in writing to an extension to the term of the Block 3/05 PSA to not earlier than 31 December 2040 which has been granted by means of an Executive Decree by MIREMPET. ANPG has also agreed a number of changes to the Fiscal Terms of the Block 3/05 PSA with the Block 3/05 contractor group. It should be noted that these changes to the Fiscal Terms will only become effective if approved by means of a Presidential Decree or Order issued by the President of Angola and execution of the relevant amendment to the Block 3/05 PSA by all parties thereto. There can be no guarantee that this will be forthcoming.

Risks relating to delayed, reduced or cancelled oil liftings and consequential impact on the Enlarged Group in realising revenues

The timings of each oil lifting in respect of Block 3/05, and consequently the revenues realised by the Company at the time of the lifting, are dependent on the Palanca lifting agreement administered by the operator, Sonangol, and the quantity of barrels held in inventory by the Company at that time. Liftings can be infrequent.

In the event that the Company's lifting is delayed, reduced or cancelled, the Company's realisation of revenue will also be delayed or reduced. There are numerous factors which could cause delays or reductions in the quantity of liftings, including mainly lower production, but also availability of equipment and demand for services

The Company intends to utilise the Working Capital Facility to help alleviate any financial strain placed on the Enlarged Group as a result of delayed, reduced or cancelled liftings. The Directors believe the Company will become less reliant on the Working Capital Facility to smooth out revenues from liftings as the Enlarged Group completes acquisitions and gets access to more production.

Certain of the Group's outstanding borrowings will bear interest at floating rates which could rise significantly, thereby increasing its interest cost and reducing cash flows.

Interest on borrowings under the Acquisition Facility will bear interest and the applicable reference rate will be SOFR.

Interest rates could rise significantly in the future, thereby increasing the Group's interest expenses associated with these obligations and reducing cash flows available for capital investments. Although the Group may enter into certain hedging arrangements designed to fix a portion of these rates in compliance with the hedging policy contained in the Acquisition Facility Agreement, there can be no assurance that hedging will be available or continue to be available on commercially reasonable terms. In addition, hedging itself carries certain risks, including that the Group may need to pay a significant amount (including costs) to terminate any hedging arrangements.

RISKS RELATING TO THE ENLARGED GROUP

Risks relating to the Enlarged Group's activities and the oil and gas industry

There are numerous factors which may affect the success of the Enlarged Group's business which are beyond its control including local, national and international economic, legal and political conditions. The Enlarged Group's business involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not overcome.

Prospective investments and growth strategy execution risks

The Enlarged Group may seek to acquire additional assets in the future and there can be no assurance that such assets will be available at an acceptable price, or at all. Whilst the Enlarged Group is initially focused on the INA Assets and the Target Assets, it may seek to further expand its operations and therefore may expend significant costs on, *inter alia*, conducting due diligence into potential investment opportunities in further businesses, assets or prospects/projects that may not be successfully completed or result in any acquisition being made. Such failure to complete or acquire, could have a material adverse effect on its business, operating results and financial condition.

Success of the Enlarged Group's stated acquisition strategy not guaranteed

Returns ultimately achieved by investors in the Enlarged Group will be reliant upon the quality and performance of any future assets being acquired directly or indirectly by the Enlarged Group as well as the INA Assets and the Target Assets. The success of the Enlarged Group's stated strategy also depends on the Directors' ability to identify potential acquisition targets, and to acquire assets on favourable terms and to generate value from the assets. No assurance is given that the strategy to be used will be successful under all or any market conditions nor that the Enlarged Group will be able to invest its capital directly or indirectly to acquire assets on attractive terms and to generate returns for investors.

Issues resulting from limited due diligence on future acquisitions

The Enlarged Group may, in the future, acquire directly or indirectly additional oil and gas assets. The Enlarged Group intends to perform a review in respect of any potential assets prior to such acquisitions. Although it is intended that any such review would be consistent with industry practice, such reviews are inherently incomplete. Even an in-depth review of assets and records may not necessarily reveal existing or potential problems, nor will it permit a buyer to become sufficiently familiar with the assets to assess fully their deficiencies and capabilities.

Such acquisitions may cause the Enlarged Group to expend costs on, *inter alia*, conducting due diligence into potential investment opportunities in further businesses, assets or prospects/projects that may not be successfully completed or result in any acquisition being made, which could have a material adverse effect on its business, operating results and financial condition.

The Enlarged Group will not be operator of the Target Assets and is not the operator of the INA Assets

As the Enlarged Group will not act as operator in respect of the Target Assets and is not the operator of the INA Assets, the Enlarged Group will generally have limited control over the day-to-day management or operations of such interests and will therefore be dependent upon the third party operator(s). A third party operator's management of an asset may result in failure to meet the expected timetable, significant delays or materially increased costs to the Enlarged Group. The Enlarged Group's return on assets operated by others will therefore depend upon a number of factors that may be outside the Enlarged Group's control, including the timing and amount of capital expenditures, the operators' expertise and financial resources, the approval of other participants, the selection of technology and risk management practices. Generally, a failure by any licence partner (whether the operator or otherwise) to fulfil its financial obligations may increase the Enlarged Group's exposure related to the licence in question. Any significant increase in costs as a consequence of joint and several liabilities may materially adversely affect the financial condition of the Enlarged Group.

Joint and several liability of Contractor Parties

In respect of the liability regime pursuant to oil and gas interest documentation (including the Block 3/05 PSA) to which the Enlarged Group will be party, there are circumstances where each of the parties thereto is subject to joint and several liability. In the event that any claim is made against the Enlarged Group, it is made on a joint and several basis which may have a material negative impact on the Enlarged Group.

Financial resources

The Group will finance the Acquisitions through a combination of existing cash resources, the Acquisition Facility and the Working Capital Facility. The Enlarged Group may require additional funds to fund exploration and development commitments and, in addition to the Working Capital Facility, may attempt to raise additional funds through equity or debt financings or from other sources. Any additional equity financing may be dilutive to holders of Ordinary Shares and any debt financing beyond the existing facilities, if available, may require restrictions to be placed on the Enlarged Group's future financing and operating activities. The Enlarged Group may be unable to obtain additional financing beyond the existing facilities on acceptable terms or at all if market and economic conditions, the financial condition or operating performance of the Enlarged Group or investor sentiment (whether towards the Enlarged Group in particular or towards the market sector in which the Enlarged Group operates) are unfavourable. The Enlarged Group's inability to raise

additional funding may hinder its ability to grow in the future or to maintain its existing levels of operation.

The Enlarged Group's access to debt, equity and other financing as a source of funding for operations and for refinancing maturing debt will also be subject to many factors, including the cash needs of the Enlarged Group and the then prevailing conditions in the financial markets, including in the corporate bond, term loan and equity markets.

The Enlarged Group's ability to meet its obligations under its indebtedness, including making principal, interest and other payments when due, as well as its ability to fund ongoing business operations, will depend upon future operating performance and the Enlarged Group's ability to generate cash or to raise additional financing in the future, which, in turn, will be affected to some extent by general economic conditions and by financial, competitive, legislative, regulatory and other factors, including those factors discussed in this Part 4 and elsewhere in this document.

If, on the maturity date of any of the indebtedness, the Enlarged Group does not have sufficient cash flows from operations and other capital resources to repay and/or redeem the debt in full or pay other debt obligations, as the case may be, the Enlarged Group may be required to undertake alternative financing plans, such as refinancing or restructuring the debt, selling assets, reducing or delaying capital investments or raising additional debt or equity financing in amounts that could be substantial or on unfavourable terms.

In the longer term, if the Enlarged Group was unable to generate sufficient cash flows to satisfy its debt obligations or to refinance its indebtedness on acceptable terms, or at all, it would materially and adversely affect its business, prospects, financial condition and results of operations, as well as its ability to pay the principal and interest on its indebtedness. Any failure to refinance its indebtedness, on or prior to the applicable maturity date, may result in the Enlarged Group defaulting on such indebtedness.

Debt financing risk

The Company's ability to complete the Acquisitions is contingent on it having access to funding under the Acquisition Facility. The Acquisition Facility when entered into in 2022 increased the Group's borrowings and debt service obligations. The Enlarged Group expects that borrowing will continue for the foreseeable future. The Enlarged Group expects that indebtedness may reduce over time, however, the degree to which the Enlarged Group continues to be leveraged could have important consequences for the business, including:

- making it more difficult for the Enlarged Group to satisfy its obligations with respect to its indebtedness;
- restricting the Enlarged Group's ability to make strategic acquisitions or pursue other business opportunities;
- together with the financial and other restrictive covenants under the terms of the indebtedness, limiting the Enlarged Group's ability to obtain additional financing or incur further financial indebtedness other than as permitted by the terms of the indebtedness;
- restricting the Enlarged Group from selling or otherwise disposing of the assets;
- limiting the Enlarged Group's flexibility in planning for, or reacting to, changes in the business and the industry in which it operates;
- placing the Enlarged Group at a competitive disadvantage compared to competitors that have less debt; and
- increasing the Enlarged Group's cost of borrowing.

Any of these consequences or events could have a material adverse effect on the Enlarged Group's ability to satisfy the debt obligations. The Enlarged Group's substantial leverage could materially and adversely affect the business, financial condition and results of operations and prevent the Enlarged Group from servicing payment obligations under the indebtedness. The Enlarged Group will require cash to meet obligations under its indebtedness and sustain the business operations, and the Enlarged Group's ability to do so will depend on many factors beyond its control. The Enlarged Group's ability to meet its obligations under its indebtedness, including making principal, interest and other payments when due, as well as its ability to fund ongoing business operations, will

depend upon future operating performance and the Enlarged Group's ability to generate cash, which, in turn, will be affected to some extent by general economic conditions and by financial, competitive, legislative, regulatory and other factors, including those factors discussed in this Part 4 and elsewhere in this document.

If, on the maturity date of any of the indebtedness, the Enlarged Group does not have sufficient cash flows from operations and other capital resources to repay and redeem the debt in full or pay other debt obligations, as the case may be, the Enlarged Group may be required, subject to applicable restrictions, to undertake alternative financing plans, such as refinancing or restructuring the debt, selling assets or raising additional debt or equity financing in amounts that could be substantial or on unfavourable terms. The Enlarged Group's access to debt, equity and other financing as a source of funding for operations and for refinancing maturing debt will also be subject to many factors, including the cash needs of the Enlarged Group and the then prevailing conditions in the financial markets, including in the corporate bond, term loan and equity markets. In the longer term, if the Enlarged Group were unable to generate sufficient cash flows to satisfy its debt obligations or to refinance its indebtedness on acceptable terms, or at all, it would materially and adversely affect its business, prospects, financial condition and results of operations, as well as its ability to pay the principal and interest on its indebtedness. Any failure to refinance its indebtedness, on or prior to the applicable maturity date, may result in the Enlarged Group defaulting on such indebtedness.

The Group is subject to changes in credit market and equity market conditions

The Group has sufficient financial resources to meet its obligations arising within the period of the working capital statement contained in this document. However, the nature of its business is capital intensive and in the longer term, its projects may be subject to delays or cost overruns or increased scope and assets may move into the development stage. Any of these risks may create circumstances where the Enlarged Group requires additional financing from credit or equity markets in the longer term and the availability of such financing is subject to market conditions. In the event that such financing were not available at that time, it would have a material adverse effect on the Enlarged Group's financial condition.

The Group may engage in hedging activities from time to time that would expose it to losses should markets move against its hedged position

The nature of the Group's operations results in exposure to fluctuations in commodity prices. The Group's primary policy is to hedge the petroleum price but it may also hedge currency exchange rates and interest rates from time to time. The Board will determine the overall hedging strategy in respect of the Acquisition Facility Agreement and will take into account various market factors when making decision regarding the volumes to be hedged, price levels and hedging instruments.

However, hedging could fail to protect the Group or could adversely affect the Group due to, among other reasons:

- the Group's hedging policy not achieving the expected results and not being appropriate for the Group;
- loss of price upside through collars in the event of upward movement in oil prices;
- absence of offsetting revenues from oil sales for payments under collar hedges in the event of upward movement in oil prices combined with shortfall in oil production;
- the available hedging instruments failing to correspond directly with the risk for which protection is sought;
- the Group's hedge counterparty defaulting on its obligation to pay the Group;
- the credit quality of the Group's hedge counterparty being downgraded to such an extent that it impairs the ability of the relevant member of the Group to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging being adjusted from time to time in accordance with applicable accounting rules to reflect changes in fair value, and any downward adjustments reducing the Group's net assets and profits.

In addition, hedging involves transaction costs, typically option premiums. These costs may increase as the period covered by the hedging increases and during periods of increased expected price volatility. In periods of extreme price volatility or at low price levels, it may not be commercially viable to enter into hedging transactions due to the high costs involved, which may in turn increase the Group's exposure to financial risks. Some relationship banks have reduced or ceased their commodity hedging businesses over the past several years due to poor returns and increased regulation. The Group has existing hedging relationships with non-lending counterparties and intends to broaden its counterparties beyond lending banks but there can be no guarantees that the Group will be able to procure future hedging on acceptable terms or at all.

If the Group experiences losses as a result of its hedging activities, or if it is unable to hedge its commodity price effectively in the future, this could have a material adverse effect on its business, prospects, financial condition and results of operations.

Capital expenditure estimates may not be accurate

Estimated capital expenditure requirements are estimates based on anticipated costs and are made on certain assumptions. Should the Enlarged Group's capital expenditure requirements turn out to be higher than currently anticipated the Enlarged Group or its partners may need to seek additional funds which it may not be able to secure on reasonable commercial terms to satisfy the increased capital expenditure requirements. If this happens, the Enlarged Group's business, cash flow, financial condition and operations may be materially adversely affected.

Decommissioning costs

Decommissioning costs will be incurred by the Enlarged Group at the end of the operating life of the Enlarged Group's properties based on estimates of the decommissioning costs, which are based on current requirements, technology and price levels and are computed based on the latest assumptions as to the scope and method of abandonment. However, the ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing and amount of expenditure can also change, for example, in response to changes in reserves or changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provisions established which would affect future financial results and such provisions may not prove sufficient to cover actual decommissioning costs.

The current ADP for Block 3/05 (approved in 2012) estimates abandonment costs at US\$574 million, of which US\$554 million has been funded. Funding of the shortfall is subject to the approval of a revised ADP. The estimate will, following the extension of the Block 3/05 PSA to 2040, be revised in due course. The Competent Person's Report estimates abandonment costs for Block 3/05 at US\$745 million.

Angolan Presidential Decree 91/18 requires the Company to deposit its share of the estimated decommissioning costs in an escrow account. The contractor group must first approve an estimate of the decommissioning costs, an estimate which may not be agreed during the working capital period. Sonangol has met its obligations in respect of decommissioning costs to date, and it may be that no further sums are to be deposited in escrow by the Company. To the extent Sonangol has not complied with its decommissioning cost obligations prior to 20 April 2022, the Company is indemnified under the Sonangol Acquisition Agreement.

Sonangol EP, as former national concessionaire, currently holds the majority of the decommissioning cost funds provided by Sonangol. Sonangol EP should have transferred all funded abandonment costs for Block 3/05 to ANPG upon the latter being appointed to the role of National Concessionaire in 2019. Save for US\$20.09 million in the escrow account, the Company has not been provided with any evidence that Sonangol EP has transferred these funds. Procedural delays in the transfer of escrow funds is a known risk in the Angolan oil industry and the timeline for the transfer is unclear.

No ADP exists yet for Block 23 or Block 3/05A.

Failure to meet commitments

The Enlarged Group will be subject to contractual work commitments, from time to time, which will include minimum work programmes to be fulfilled within certain time restraints. Specifically these commitments may cover certain depths of wells to be drilled, seismic surveys to be performed and other data acquisition. Failure to comply with such obligations, whether inadvertent or otherwise, may lead to fines, penalties, restrictions and withdrawal of licences with consequent material adverse effects. So far as the directors of the Company are aware, all work obligations in respect of the INA Assets and the Target Assets have been complied with to date.

Exposure to local currency

The Company is exposed to fluctuations in the value of the Angolan Kwanza for transactions and business denominated in the local currency. However, the Company primarily transacts in US dollars and the Board does not consider this risk to be material.

Title matters and payment obligations

There is no guarantee that an unforeseen defect in title, changes in law or change in the interpretation of law or political events will not arise to defeat or impair the claim of the Enlarged Group to any properties which it currently owns or may acquire which could result in a material adverse effect on the Enlarged Group, including a reduction in any revenues generated.

Currency exchange rates risk

The Group's functional currency is US Dollars and, although most of its major contracts are denominated in US Dollars, a portion of its general and administrative expenses are in Sterling. Hence, the Company is exposed to fluctuations in exchange rates, in particular, between the US Dollar and Sterling. Such exposure may affect the Group's results. The Group will consider, on a case-by-case basis, implementing policies to limit its currency exposure, if appropriate, and may examine currency hedging instruments when they prove to be available and cost effective.

The Company's share price is quoted on the London Stock Exchange in Sterling. As a consequence, Shareholders may experience fluctuations in the market price of the Ordinary Shares as a result of, *inter alia*, movements in the foreign exchange rate between Sterling and US Dollars.

Risks relating to taxation

Any change in the Group's tax status or in tax legislation could affect the Enlarged Group's ability to provide returns to Shareholders. Statements in this document in relation to tax and concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which is subject to change. The taxation of an investment in the Company depends on the specific circumstances of the relevant investor.

The nature and amount of tax which members of the Enlarged Group expect to pay and the reliefs expected to be available to any member of the Enlarged Group are each dependent upon a number of assumptions, any one of which may change and which would, if so changed, affect the nature and amount of tax payable and reliefs available. In particular, the nature and amount of tax payable is dependent on the availability of relief under tax treaties in a number of jurisdictions and is subject to changes to the tax laws or practice in any of the jurisdictions affecting the Enlarged Group. Any limitation in the availability of relief under these treaties, any change in the terms of any such treaty or any changes in tax law, interpretation or practice could increase the amount of tax payable by the Enlarged Group.

Lastly, due to the Enlarged Group's parent company being a UK based entity which will operate and hold assets in Angola and Somaliland following Completion, any changes in Angolan or Somaliland national tax law or tax rulings unfavourable to the Enlarged Group structure related to non-Angolan or Somaliland owned parent companies could have material impact on the Group's effective tax rate, cash flows and results of operations.

Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.

Dependence on key executives and personnel

The future performance of the Enlarged Group will, to a significant extent, be dependent on its ability to retain the services and personal connections or contacts of key executives and to attract, recruit, motivate and retain other suitably skilled, qualified and industry experienced personnel to form a high calibre management team. Such key executives are expected to play an important role in the development and growth of the Enlarged Group, in particular, by maintaining good business relationships with regulatory and governmental departments and essential partners, contractors and suppliers.

There is a risk that the Enlarged Group will struggle to recruit the key personnel required to run an exploration and production company. Shortages of labour, or of skilled workers, may cause delays or other stoppages during exploration and appraisal activities. Many of the Enlarged Group's competitors are larger, have greater financial and technical resources, as well as staff and facilities, and have been operating in a market-based competitive economic environment for much longer than the Enlarged Group.

There can be no assurance that the Enlarged Group will retain the services of any key executives, advisers or personnel who have entered into service agreements or letters of appointment with the Enlarged Group. The loss of the services of any of the key executives, advisers or personnel may have a material adverse effect on the business, operations, relationships and/or prospects of the Enlarged Group. However, the Board believes that the spread of skills and experience across the Directors is such that the loss of any one Director is unlikely to have a material adverse effect on the Enlarged Group.

Labour

Certain of the Enlarged Group's operations may be carried out under potentially hazardous conditions. Whilst the Enlarged Group intends to operate in accordance with relevant health and safety regulations and requirements, the Enlarged Group remains susceptible to the possibility that liabilities might arise as a result of accidents or other workforce-related misfortunes, some of which may be beyond the Enlarged Group's control given the Enlarged Group is not the operator of any of the acquired interests.

In addition, attracting and retaining additional skilled personnel may be required to ensure the development of the Enlarged Group's business. The Enlarged Group faces significant competition for skilled personnel in the oil and gas sector. Accordingly, the Enlarged Group may struggle to recruit sufficient number of employees and any shortages of labour, or of skilled workers, may cause delays or other stoppages during exploration and appraisal activities.

Retention of key business relationships

The Enlarged Group will rely significantly on strategic relationships with other entities, on good relationships with regulatory and governmental departments and on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed, and the Enlarged Group could be adversely affected by changes to such relationships or difficulties in forming new ones. Any circumstance which causes the early termination or non-renewal of one or more of these key business alliances or contracts could adversely impact the Enlarged Group, its business, operating results and prospects.

Local risk factors

The Group's operations are conducted in Somaliland and Angola and, as such, the Group's operations, financial condition and operating results are exposed to various levels of political, economic and other risks and uncertainties over which it has no control. These risks and uncertainties vary and can include, but are not limited to: currency exchange rates; high rates of inflation; terrorism; war; labour unrest; border disputes between countries; renegotiation or nullification of existing concessions, licences, permits and contracts; bribery and corruption; changes in taxation policies; restrictions on foreign exchange; changing political conditions; currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Future political actions cannot be predicted and may adversely affect the Group.

Changes, if any, in petroleum or investment policies or shifts in political attitude in Angola or Somaliland and border disputes affecting the Enlarged Group's rights to explore and develop for oil and gas may adversely affect the Enlarged Group's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people and water use. The possibility that future governments may adopt substantially different policies, which may extend to the expropriation of assets, cannot be ruled out.

Failure to comply strictly with applicable laws or regulations relating to the petroleum regime, including licences to blocks and petroleum agreements governing exploration activity on the blocks, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Enlarged Group's consolidated business, results of operations and financial condition.

Insurance coverage and uninsured risks

The Enlarged Group insures its operations in accordance with industry practice and plans to insure the risks it considers appropriate for the Enlarged Group's needs and circumstances. However, the Enlarged Group may elect not to have insurance for certain risks, due to the high premium costs associated with insuring those risks or for various other reasons, including an assessment in some cases that the risks are remote.

No assurance can be given that the Enlarged Group will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it or the relevant operator obtains, if applicable, and any proceeds of insurance, will be adequate and available to cover any claims arising. The Enlarged Group may become subject to liability for pollution, blow-outs or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible. Any indemnities the Enlarged Group may receive from such parties may be difficult to enforce if such sub-contractors, operators or joint venture partners lack adequate resources.

In the event that insurance coverage is not available or the Enlarged Group's insurance is insufficient to fully cover any losses, claims and/or liabilities incurred, or indemnities are difficult to enforce or the Enlarged Group elects not to have insurance for certain risks and claims and/or liabilities are incurred, the Enlarged Group's business and operations, financial results or financial position may be disrupted and adversely affected.

The payment by the Enlarged Group's insurers of any insurance claims may result in increases in the premiums payable by the Enlarged Group for its insurance cover and adversely affect the Enlarged Group's financial performance. In the future, some or all of the Enlarged Group's insurance coverage may become unavailable or prohibitively expensive.

Functioning insurance market

Operational insurance policies are usually placed in one-year contracts and the insurance market can withdraw cover for certain risks, which can greatly increase the costs of risk transfer. Such increases are often driven by factors unrelated to the Enlarged Group as well control elsewhere in the world.

Bank default

Recent credit market events have demonstrated the possibility of banks, previously thought to be secure, defaulting on their deposits. A good rating from a reputable rating agency does not provide adequate protection against default risk and as a corporate depositor the Enlarged Group may fall outside any deposit protection schemes. However, if one or more of the Enlarged Group's banks defaults on its deposits it would have a material adverse effect on the Enlarged Group's ability to fund its commitments. In such an economic environment the Enlarged Group would be unlikely to be able to sell assets at reasonable values or raise equity finance and consequently might be unable to continue its business.

Future litigation

From time to time, the Enlarged Group may be subject, directly or indirectly, to litigation arising out of its proposed operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Enlarged Group's business, results of operations or financial condition. While the Enlarged Group assesses the merits of each lawsuit and defends itself accordingly, it may be required to incur significant expenses or devote significant resources to defending itself against such litigation. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Enlarged Group's business.

The Group has no history of operations

Although the Group's management has prior experience, the Group has no recent operating history upon which prospective investors may assess its future performance. Prospective investors do not have the same level of historical operating information on which to base their investment decision as would be available with respect to a more established company. The Enlarged Group's prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in early stage of operations in markets that are often quickly evolving. If the Enlarged Group is unable to successfully address or manage such risks, expenses or difficulties, this could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations, and the trading price of the Ordinary Shares.

Climate change abatement legislation, changes to carbon pricing systems or protests against fossil fuel extraction may have a material adverse effect on the Enlarged Group's industry

Continued political and societal attention to issues concerning climate change, including the role of human activity in it and potential mitigation through regulation could have a material impact on the Enlarged Group's business. International agreements, national and regional legislation, and regulatory measures to limit greenhouse emissions are currently in various stages of discussion or implementation.

Like other oil and gas companies, given that the Enlarged Group's operations involve, and the Enlarged Group's products are associated with, emissions of greenhouse gases, these and other greenhouse gas emissions related laws, policies and regulations may result in substantial capital, compliance, operating and maintenance costs. The level of expenditure required to comply with these laws and regulations is difficult to accurately predict and will vary depending on, among other things, the laws enacted by particular countries. As such, climate change legislation and regulatory initiatives restricting emissions of greenhouse gases may materially adversely affect the Enlarged Group's operations and increase the Enlarged Group's cost structure.

Such legislation or regulatory initiatives could also have a material adverse effect by diminishing the demand for oil and gas, increasing the Enlarged Group's cost structure or causing disruption to the Enlarged Group's operations by regulators. Global efforts to respond to the challenges of climate change may have an impact on the value of the price of oil and gas moving forward, as countries increasingly shift toward alternative energy sources, which may in turn impact the viability of the Enlarged Group's producing, development and exploration projects.

In addition, the Enlarged Group may be subject to activism from groups campaigning against fossil fuel extraction, which could affect the Enlarged Group's reputation, dissuade investors from investing in the Enlarged Group's business, persuade shareholders to sell their holdings, dissuade contractors from working with the Enlarged Group, disrupt the Enlarged Group's campaigns or programmes, induce the Enlarged Group's employees and/or directors to cease working or acting for the Enlarged Group or otherwise negatively impact the Enlarged Group's business.

Global economic conditions may adversely affect the Enlarged Group

The Enlarged Group may make acquisitions of companies and businesses that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, the markets in which the Enlarged Group operates may decline, thereby potentially decreasing revenues and causing financial losses, difficulties in obtaining access to, and fulfilling commitments in respect of, financing, and increased funding costs. In addition, during periods of adverse economic conditions, the Enlarged Group may have difficulty accessing financial markets, which could make it more

difficult or impossible for the Enlarged Group to obtain funding for additional acquisitions and negatively affect the Enlarged Group's operating results. Accordingly, adverse economic conditions could adversely impact the business, development, financial condition, results of operations and prospects of the Enlarged Group. Furthermore, there can be no assurances that financial conditions in the global financial markets will not worsen or adversely affect the Enlarged Group's then prevailing financial position and performance or, indeed, those of its investments.

Force majeure

The Enlarged Group's operations may be adversely affected by risks outside the control of the Enlarged Group including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions, which may have a material adverse effect on the Enlarged Group's future financial condition and results.

Cyber risks

The Enlarged Group is at risk of financial loss, reputational damage and general disruption from a failure of its information technology systems or an attack for the purposes of espionage, extortion, terrorism or to cause embarrassment. Any failure of, or attack against, the Enlarged Group's information technology systems may be difficult to prevent or detect, and the Enlarged Group's internal policies to mitigate these risks may be inadequate or ineffective. The Enlarged Group may not be able to recover any losses that may arise from a failure or attack.

RISKS RELATING TO THE OIL AND GAS MARKETS

Oil and gas prices

The marketability and price of oil and natural gas that may directly or indirectly be acquired or discovered by the Enlarged Group will be affected by numerous factors beyond the control of the Enlarged Group, but which include: global and regional supply and demand, expectations regarding future supply and demand, for oil and gas; global and regional economic conditions; political, economic and military developments (including the ongoing Ukraine conflict) in oil and gas producing regions; prices and availability of alternative sources of energy; geopolitical uncertainty; speculative activities and trends in the financial community; lower hydrocarbon prices or reduced demand for oil and gas or power could reduce the economic viability of the Enlarged Group's strategy and ultimately its business, result in a reduction in revenues or net income, adversely affect the Company's ability to maintain working capital requirements, impair its ability to make planned expenditures and could materially adversely affect its prospects, financial condition and results of operations.

The Directors believe that the strengthening of the oil price and the increasing importance of ESG considerations for both sellers and the capital markets are highly advantageous for Afentra in the longer term. However, in the short term, oil price volatility and geopolitical uncertainty may create a challenging M&A and fundraising environment.

Current reserves and resources data in this document are only estimates and are inherently uncertain

The reserves and resources data set forth in this document including the Competent Person's Report contained in Part 9 of this document involve subjective judgements and determinations and are based on available geological, technical, contractual and economic information. The estimation of underground accumulations of oil and gas is a subjective process aimed at understanding the statistical probabilities of recovery. These are not exact determinations. Estimates of the quantity of economically recoverable oil and gas reserves, rates of production, net present value of future cash flows and the timing of development expenditures depend upon several variables and assumptions, including the following: (i) historical production from the area compared with production from other comparable producing areas; (ii) interpretation of geological and geophysical data; (iii) effects of regulations adopted by governmental agencies; (iv) future percentages of international sales; (v) future oil and gas prices; (vi) capital expenditure; and (vii) future operating costs, tax on the extraction of commercial hydrocarbons, development costs and workover and remedial costs. The assumptions upon which the estimates of the Company's hydrocarbon reserves, resources or production profiles (including in relation to the INA Assets and the Target Assets) have been based may change over time or prove to be incorrect. The Company may be unable to recover and

produce the estimated levels or quality of hydrocarbons set out in this document and if this proves to be the case, the Enlarged Group's business, reputation, prospects, financial condition and results of operations could be materially adversely affected.

As all reserves and resources estimates are subjective, each of the following items may differ materially from those assumed in estimating reserves and resources: (i) the quantities and qualities of oil and gas that are ultimately recovered; (ii) the production and operating costs and capital expenditure incurred; (iii) the amount and timing of additional exploration and future development expenditures; and (iv) future oil and gas prices.

Many of the factors, assumptions and variables used in estimating reserves and resources are beyond the Company's control and may prove to be incorrect over time. Evaluations of reserves and resources necessarily involve multiple uncertainties. The accuracy of any reserves or resources evaluation depends on the quality of available information and petroleum engineering and geological interpretation. Exploration drilling, interpretation and testing and production after the date of the estimates may require substantial upward or downward revisions to the Company's reserves or resources data (including in relation to the INA Assets and the Target Assets). A decline in the market price for oil and gas could render reserves uneconomic to recover and may ultimately result in a reclassification of reserves as resources. Moreover, different reservoir engineers may make different estimates of reserves and cash flows based on the same available data. Actual production, revenues and expenditures with respect to reserves and resources will vary from estimates, and the variances may be material. The estimation of reserves and resources may also change because of acquisitions and disposals, new discoveries and extensions of existing fields as well as the application of improved recovery techniques.

The estimates may prove to be incorrect and potential investors should not place reliance on the forward looking statements contained in this document (including data included in or taken from the Competent Person's Report and whether expressed to have been certified by the Competent Person or otherwise) concerning the INA Assets and/ or the Target Assets' resources and reserves or production levels. If the assumptions upon which the estimates of the INA Assets and/ or the Target Assets' hydrocarbon resources have been based prove to be incorrect, the Enlarged Group (or the operator of an asset in which the Enlarged Group has an interest) may be unable to recover and produce the estimated levels or quality of hydrocarbons set out in this document and the Enlarged Group's business, prospects, financial condition or results of operations could be materially and adversely affected.

Exploration, development and production operations involve risks common to the industry including dry wells, blowouts, oil spills, explosions, fires, equipment damage or failure, natural disasters, geological uncertainties, unusual or unexpected rock formations and abnormal geological pressures. In the event that any of these occur, environmental damage, injury to persons and loss of life, failure to produce oil or gas in commercial quantities or an inability to fully produce discovered reserves could result. Drilling activities may be unsuccessful and the actual costs incurred in drilling, operating wells and completing well workovers may exceed budget. There may be a requirement to curtail, delay or cancel any drilling operations because of a variety of factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions, compliance with governmental requirements and shortages or delays in the availability of drilling rigs and the delivery of equipment. The occurrence of any of these events could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and operations.

Mechanical problems, accidents, oil or gas leaks or other events at the Enlarged Group's facilities may cause an unexpected production shutdown of the affected wells. Any unplanned production shutdown of the Enlarged Group's facilities could have a material adverse effect on the Enlarged Group's business, financial condition and results of operations.

Oil and gas exploration is speculative, capital intensive and can result in a complete loss of capital

There can be no guarantee that any hydrocarbons discovered will be developed into profitable production or that hydrocarbons will be discovered in commercial quantities. The business of exploration and development of hydrocarbon deposits is speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Hydrocarbon deposits assessed by the Enlarged Group may not ultimately contain economically

recoverable volumes of resources and even if they do, delays in the construction and commissioning of production projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required.

The risks associated with oil and gas exploration include, but are not limited to, encountering unusual or unexpected geological formations or pressures; seismic shifts; unexpected reservoir behaviour; unexpected or different fluids or fluid properties; premature decline of reservoirs; uncontrollable flow of oil, gas or well fluids; inaccurate subsurface seismic drilling; equipment failures; extended interruptions due to (amongst other things) adverse weather conditions; environmental hazards; industrial accidents; lack of availability of exploration and production equipment; explosions; pollution; oil or gas escapes; industrial action; and shortages of manpower. Encountering any of these can greatly reduce the profitability of operations. Extreme weather, adverse geological conditions and other field operating conditions may delay seismic, drilling or appraisal and development activities and can also increase costs. Oil and gas exploration and appraisal projects often involve unprofitable activities, resulting either from dry wells or from wells that may be put into production but do not generate sufficient revenues to return a profit after development, operating and other costs. Completion of a well does not guarantee a profit on the investment or recovery of the costs associated with that well. Any of the above factors could result in a total loss of investment in certain projects, which could have a material adverse effect on the Enlarged Group's business, reputation, prospects, financial condition and results of operations.

The Group believes it has undertaken the necessary due diligence to understand the technical risks associated with all oil and gas volumes but recognises that such results from drilling activities may vary from the expected performance and / or timetable of commercialisation.

Companies operating within the oil and gas industry are subject to stringent regulations including environmental, and health and safety

The Enlarged Group's operations are subject to environmental, health and safety regulations in the jurisdictions in which they operate. Whilst both the Company and operators of the INA Assets and the Target Assets believe that each carries out its activities and operations in material compliance with these environmental, safety and health and sanitary regulations, there can be no guarantee that their contractors or staff will individually comply with the policies and practices in place.

The discharge of oil, gas or other pollutants into the air, soil or water may give rise to liabilities to local, provincial and federal governments and third parties and may require the Enlarged Group to incur significant penalties and/or costs to remedy such discharge. This is particularly a concern with aged infrastructure, as is the case for Block 3/05. The Company is aware that several oil spills have occurred in respect of Block 3/05 since 2010 including one in 2022 and two in 2023. However, these spills have been very minor and the 2022 spill was of 36.16lts (0.228 Bbls) and the two 2023 spills were each of less than 1Bbl.

Under Angolan law polluting the environment or spilling waste in the sea constitutes an environmental offence and may trigger a fine ranging between \$1,000 and \$100,000,000. Recurrence of environmental offences can double the amount of the fines. The Company benefits from an indemnity under the Amended Sonangol Acquisition Agreement in respect of liability arising from oil spills prior to completion of the Sonangol Acquisitions. An oil spill contingency plan is in place in relation to Block 3/05 but it is unclear to the Company as to whether readiness inspections or audits have been conducted by the operator or if spill response drills have been undertaken recently. Following Sonangol Completion, the Company intends to discuss with the operator, Sonangol, and agree a plan to undertake these if required. No information exists in respect of oil spills at Block 3/05A given the limited production to date. Under the Azule Acquisition Agreement all environmental liabilities are assumed by Afentra Angola from completion.

The Company is also aware that in 2021 there was a significant increase in flaring related GHG emissions reported for Block 3/05 which accounted for a substantial proportion of the total GHG footprint for the year. Sonangol has set targets for GHG reduction between 2022 and 2030. The reduction in flare intensity will be a key component in achieving these targets. The Company understands from Sonangol that the actual flared gas amount for Block 3/05 is below permitted limits in Angola. The operator has received authorisation to flare for 2023. However Sonangol has advised partners to disregard measurements until new metering is installed given gas measurements to date are viewed as unreliable. Following completion of the Acquisitions, the Company intends to use the previous operating expertise of its team to engage proactively with

Sonangol to establish a plan to reduce flare intensity and work on a GHG reduction plan across the INA Assets and the Target Assets.

While the Company has conducted due diligence on the assets, no assurance can be given that changes in environmental laws or their application to the Enlarged Group's operations will not result in further remediation costs, a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect its business, prospects, financial condition and results of operations.

Obtaining exploration, development or production licences and permits may also become more difficult or be the subject of delay by reason of governmental, regional or local environmental consultation, approvals or other considerations or requirements.

In addition, due to concern over the risk of climate change, a number of countries have adopted, or are considering the adoption of, new regulatory requirements to reduce greenhouse gas emissions, such as carbon taxes, increased efficiency standards or the adoption of cap and trade regimes. If such requirements were adopted in Angola following Admission, these requirements could make the Enlarged Group's products more expensive as well as shift hydrocarbon demand toward relatively lower-carbon sources such as renewable energy.

Oil and gas exploration and production may cause damage to persons, property and the environment for which the Company may not be adequately insured

Exploration for oil and gas carries inherent risks. The Enlarged Group's exploration, development and production activities present several risks such as those of explosions in wells and pipelines and escape of hazardous materials and contamination; major process safety incidents; failure to comply with approved policies; effects of natural disasters and pandemics; social unrest; civil war and terrorism; exposure to general operational hazards; personal health and safety; and crime. The occurrence of any of these events or other accidents could result in personal injuries, loss of life, severe environmental damage entailing containment, clean-up and repair expenses, equipment damage and civil or, in certain limited instances, criminal proceedings against the Enlarged Group, any of which could result in material legal sanctions and financial liabilities, as well as significant reputational damage, and may have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations. Although precautions to minimise risk are taken, even a combination of careful evaluation, experience and knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

The Enlarged Group's insurance policies may not cover all liabilities, and the proceeds of insurance applicable to covered risks may not be adequate to cover expenses relating to such losses or liabilities. Insurance may not be available for all risks. In certain circumstances, the Enlarged Group may elect not to obtain insurance to deal with specific events due to the high premiums associated with such insurance or for other reasons.

Companies within the oil and gas industry are subject to increases in drilling costs, access restrictions and reliant on the availability of equipment

The oil and gas industry historically has experienced periods of rapid cost increases. Increases in the cost of exploration and development would affect the Enlarged Group's ability to invest directly or indirectly in prospects and to purchase or hire equipment, supplies and services. Oil and gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Enlarged Group and may delay exploration and development activities. There can be no assurance that sufficient seismic, drilling and completion equipment, services and supplies will be available when needed. Shortages could delay the Enlarged Group's proposed exploration, development and sales activities and could have a material adverse effect on its business, reputation, prospects, financial condition and result of operations. If the demand for, and wage rates of, qualified crews rise in the seismic and drilling industry then the oil and gas industry may experience shortages of qualified personnel to operate seismic equipment and drilling rigs. This could delay the Enlarged Group's operations and adversely affect its financial condition and results of operations.

The contracting or leasing services and equipment from third-party providers and suppliers may be problematic in that such equipment and services can be in short supply and may not be readily

available at the times and places required. In addition, the costs of third-party services and equipment have fluctuated significantly over recent years and these costs may increase considerably going forward. This may, therefore, have an adverse effect on the Enlarged Group's business. In addition, the failure of a third party provider or supplier of equipment or services could have a material adverse impact on the Enlarged Group's business and the results of its operations.

Delays in production, marketing and transportation

Various production, marketing and transportation conditions, if assets have been explored and developed, may cause delays in crude oil production and adversely affect the Enlarged Group's business. For example, infrequent cargo liftings may affect the Enlarged Group's working capital position and it is not usually possible to increase production rates. Given the offshore location of Blocks 3/05 and 3/05A (and if relevant in the future, Block 23), there will also be particular challenges due to the difficulties of maintaining infrastructure offshore Angola and such difficulties will be exacerbated where the infrastructure is mature and therefore increasing operational downtime may be or become an issue, which could have a detrimental effect on the revenues received by the Enlarged Group's business.

The marketability and price of condensate and natural gas that may directly or indirectly be acquired or discovered by the Enlarged Group will be affected by numerous factors beyond the control of the Enlarged Group. The Enlarged Group is also subject to market fluctuations in the prices of oil and natural gas, deliverability uncertainties related to the proximity of reserves to adequate pipeline and processing facilities, and extensive government regulations relating to price, taxes, royalties, licences, land tenure, allowable production, the export of oil and natural gas, and many other aspects of the oil and natural gas business. Any or all of these factors may result in an adverse impact on the financial returns anticipated by the Enlarged Group.

As the Enlarged Group will not act as operator in respect of the Target Assets and is not the operator of the INA Assets, the Enlarged Group will generally have limited control over the day-to-day management or operations of such interests and will therefore be dependent upon the third party operators. A third party operator's management of an asset may result in failure to meet the expected timetable.

Interruptions in availability of exploration, production or supply infrastructure

The Enlarged Group may suffer, indirectly, from delays or interruptions due to lack of availability of drilling rigs or construction of infrastructure, including pipelines, storage tanks and other facilities, which may adversely impact the operations and could lead to fines, penalties and criminal sanctions against the Enlarged Group and/or its officers or its current or future licences or interests being terminated. Delays in obtaining licences, permissions and approvals required by the Enlarged Group or its partners in the pursuance of its business objectives could likewise have a material adverse impact on the Enlarged Group's business and the results of its operations.

Risk of loss of oil and gas rights

The Enlarged Group's activities are dependent upon the maintenance of appropriate leases, licences, concessions, permits and regulatory consents which may be withdrawn or made subject to qualifications. Although the Enlarged Group believes that the authorisations in relation to all of the Enlarged Group's interests in Angola following Sonangol Completion, Azule Completion and INA Completion will not be withdrawn and will be maintained (as the case may be), there can be no guarantee that such authorisations will not, in the future, be withdrawn, fail to be renewed or granted. There can be no assurance as to the terms of such future grants or renewals.

Natural disasters

Any interest held by the Enlarged Group is subject to the impacts of any natural disaster such as earthquakes, epidemics, fires and floods etc. No assurance can be given that the Enlarged Group will not be affected by future natural disasters.

Environmental factors

The Enlarged Group's operations are, and will be, subject to environmental regulation. Environmental regulations are likely to evolve in a manner that will require stricter standards and

enforcement measures being implemented, increases in fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees. Compliance with environmental regulations could increase the Enlarged Group's costs. Should the Enlarged Group's operations not be able to comply with this mandate, financial penalties may be levied. Environmental legislation can provide for restrictions and prohibitions on spills, releases of emissions of various substances produced in association with oil, condensate and natural gas operations. In addition, certain types of operations may require the submission and approval of environmental impact assessments. The Enlarged Group's operations will be subject to such environmental policies and legislation.

Previous environmental audits in respect of the INA Assets and the Target Assets from June 2022 identified certain areas of environmental non-compliance. Since then, progress has been made on several areas of these areas of environmental non-compliance. An environmental installation licence for Block 3/05 was issued on 5 May 2022 with an expiry of 5 May 2027 and for Block 3/05A on 31 May 2021 with an expiry of 31 May 2026. An operational discharge report for 2022 has been submitted to MIREMPET and an updated operational discharge management plan for Block 3/05 and 3/05A was issued in April 2023. There are no requirements for operational discharge plans or environmental installation licences for Block 23 since this has no installations, has no current activity and is still within the exploration phase. An ROV survey of the subsea network was carried out in March 2022. The Company intends to work with Sonangol following completion of the Acquisitions to ensure the corrective actions for the remaining non-compliance findings are addressed. In 2022 there was one reported oil spill of less than 1 bbl and there have been two further spills of less than 1bbl in 2023. There are currently no licences for radioactive materials in place for Block 3/05. Sonangol (as operator) has confirmed to the Company that it is assessing whether any such licences are required for Block 3/05 before submitting any licence applications.

Environmental legislation and policy is periodically amended. Such amendments may result in stricter standards of enforcement and in more stringent fines and penalties for non-compliance. Environmental assessments of existing and proposed projects may carry a heightened degree of responsibility for companies and their directors, officers and employees. The costs of compliance associated with changes in environmental regulations could require significant expenditure, and breaches of such regulations may result in the imposition of material fines and penalties. In an extreme case, such regulations may result in temporary or permanent suspension of exploration, development and/or production operations. There can be no assurance that these environmental costs or effects will not have a material adverse effect on the Enlarged Group's future financial condition or results of operations.

RISKS RELATING TO ANGOLA AND OTHER COUNTRIES WHERE THE COMPANY OPERATES

Doing business in Angola

In addition to the risks highlighted regarding regulation, the Enlarged Group's operations in Angola may be subject to political, economic and other uncertainties, including, but not limited to, terrorism, military repression, war, piracy, unrest or earthquakes, changes in law, energy policies and regulation or in the personnel administering them, nationalisation or expropriation of property, foreign exchange rates and restrictions, currency instability or non-convertibility, high rates of inflation, royalty and tax increases, changes in policies or laws governing foreign ownership and the operations of foreign-based companies, inability to enforce or cancellation or modification of contractual rights and other risks arising out of foreign governmental sovereignty over the areas in which the Enlarged Group's operations are conducted. It is difficult to predict the timing or severity of these occurrences or their potential effect. If such risks materialise, they could affect the employees, reputation, operational performance and financial position of the Enlarged Group. Furthermore, it may be expensive and logistically burdensome to discontinue oil and gas exploration and/or production operations in a particular country should political or other conditions subsequently deteriorate. All of these factors could materially adversely affect the Enlarged Group's business, results of business operations, financial condition or prospects.

The Enlarged Group is dependent on receipt of government approvals or permits to develop its assets. The Directors believe that the government of Angola supports the exploration and development of their respective oil and gas properties by foreign companies. Any delays in receiving government approvals or permits may delay the Enlarged Group's operations or may affect the status of the Enlarged Group's contractual arrangements or its ability to meet its contractual

obligations. There is no assurance that future political conditions in Angola will not result in the government adopting new laws and regulations which may affect the Enlarged Group's ability to be involved in exploration and development activities in respect of present and future properties, as well as its ability to raise funds to further such activities.

The assets in which the Enlarged Group has or may have an interest in Angola are subject to contracts with the country's government. If for any reason these contracts are found to be void or challenged, the Enlarged Group may suffer significant damage through loss of the opportunity to develop and discover any resources on the relevant asset. The government in Angola often grants interests in large tracts of land or offshore fields and maintains control over the development of the oil and gas rights, in some cases through equity participation in the exploration and development of the rights. Transfers of interests typically require state approval, which may delay or otherwise impede transfers and on-going operations. For certain licences the Enlarged Group may be required to expend the funds necessary to meet conditions, such as minimum work commitments, attaching to the licence. Failure to meet these work commitments would render the licence liable to be revoked. Furthermore, if any contractual obligations are not complied with when due, this could result in dilution or forfeiture of interests held by the Enlarged Group.

Angola may have a less developed legal system than more established economies. This could result in risks such as: (i) effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience of the judiciary and courts in such matters.

The commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Enlarged Group's licences and agreements for business. These may be more susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured.

Certain risks are inherent in any investment in a company operating in emerging markets such as Angola

Investors in emerging markets, such as Angola, should be aware that these markets are subject to greater risk than more developed markets, including, in some cases, significant legal, fiscal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved in an investment in the Company and must decide for themselves whether, in the light of those risks, their investment is appropriate. Generally, investment in emerging and developing markets is suitable only for sophisticated investors who fully appreciate the significance of the risks involved.

An erosion of the business and operating environment in Angola could adversely impact the Enlarged Group's financial position

The Enlarged Group faces various risks in its Angolan operations that could adversely impact its financial position. These risks include security issues surrounding the safety of the Enlarged Group's employees and operations, the Enlarged Group's ability to enforce existing contractual rights, limited infrastructure and potential legislation that could increase taxes. Angola and surrounding countries have lower levels of economic and state development than some other jurisdictions where oil and gas exploration and production companies operate. This could result in significant difficulties securing infrastructure and services in a timely and cost effective manner required to implement the Enlarged Group's exploration and development plans. The Enlarged Group's exploration activities may be impaired due to the condition of infrastructure in Angola. In general, Angola's physical infrastructure, including power generation and transmission stations, communication systems and road network are less developed in comparison with other more developed countries. Any failure to maintain or improve adequate transport services and networks or any disruption to transport services could cause delays to the Enlarged Group's exploration activities. Any government action concerning the economy, including the oil and gas industry (such as a change in oil or gas pricing

policy, domestic supply obligation or taxation rules or practice, or renegotiation or nullification of existing concession contracts or oil and gas exploration policy, laws or practice), could have a material adverse effect on the Enlarged Group.

RISKS RELATING TO INVESTMENT AND AIM

Market perception

Market perception of junior extraction companies, in particular those operating in energy markets, as well as all oil and gas companies in general, may change, which could impact on the value of investors' holdings and the ability of the Enlarged Group to raise further funds through the issue of further Ordinary Shares in the Company or otherwise.

AIM

The Ordinary Shares will be admitted to AIM and it is emphasised that at this time no application is being made for admission of the Ordinary Shares to the Official List or to any other stock exchange. An investment in shares quoted on AIM may be less liquid and may carry a higher risk than an investment in shares quoted on the Official List. The rules of AIM are less demanding than those of the Official List. Further, the London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

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 earnings 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.

Economic conditions and current economic weakness

Any economic downturn either globally or locally in any area in which the Enlarged Group operates may have an adverse effect on the demand for the Enlarged Group's assets and/or hydrocarbons produced. A more prolonged economic downturn will restrict the Enlarged Group's ability to realise a profit. The markets in which the Enlarged Group operates are directly affected by many national and international factors that are beyond the Enlarged Group's control.

Market risks

The Enlarged Group may be affected by general market trends which are unrelated to the performance of the Enlarged Group itself. The Enlarged Group's success will depend on market acceptance of the hydrocarbons produced from the INA Assets and the Target Assets and there can be no guarantee that this acceptance will be forthcoming. Market opportunities targeted by the Enlarged Group may change and this could lead to an adverse effect upon its revenue and earnings.

Investment risk

An investment in the Company is highly speculative, involves a considerable degree of risk and is suitable only for persons or entities which have substantial financial means and who can afford to hold their ownership interests for an indefinite amount of time. While various oil and gas investment opportunities are available, potential investors should consider the risks that pertain to oil and gas exploration projects in general, as described more particularly above.

Dividends

There can be no assurance as to the level of future dividends. Subject to compliance with the Act and the Company's Articles, the declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors, and will depend on, *inter alia*, the Company's earnings, financial position, cash requirements and availability of profits. A dividend may

never be paid however it is the Directors' intention to commence payment of dividends in the longer term.

Restrictions on transfers under US legislation

The Ordinary Shares have not been registered in the US under the Securities Act or under other applicable securities law and are subject to restrictions on transfer contained in such law. They may not be resold in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities law.

PART 5

SECTION A: HISTORICAL FINANCIAL INFORMATION RELATING TO THE GROUP

1 BASIS OF FINANCIAL INFORMATION

In accordance with Rule 28 of the AIM Rules, this document does not contain historical financial information on the Company and the Group which would be required by Section 20 of Annex 1 of the Prospectus Regulation Rules. The audited consolidated financial statements and historical financial information of the Group included in the Company's Annual Report 2022, the Company's Annual Report 2021 and the Company's Annual Report 2020, together with the audit reports thereon, are incorporated by reference into this Part 5 (Historical Financial Information Relating to the Group) and are available via the Company's website (www.afentraplc.com).

The consolidated financial statements in the Annual Report 2022, the Annual Report 2021 and the Annual Report 2020 were prepared in accordance with IFRS as adopted by the EU and in accordance with the Act, were audited and the audit reports were unqualified.

The Company announced its unaudited half year results for the six months ended 30 June 2023 on 12 September 2023. Pursuant to Rule 26 of the AIM Rules these results are available via the Company's website (www.afentraplc.com), and therefore have not been reproduced in this document, instead being incorporated by reference in accordance with Rule 28 of the AIM Rules.

Shareholders or other recipients of this document may request a hard copy of the above information incorporated by reference from the Company at its registered office, High Holborn House, 52-54 High Holborn, London WC1V 6RL, or by telephoning +44 (0) 20 7405-4133. Such copy will be provided to the requester within seven days. A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this document unless requested.

FINANCIAL INFORMATION INCORPORATED BY REFERENCE

<i>Financial information</i>	<i>Hyperlink</i>
Afentra's audited results for the year ended 31 December 2020	https://afentraplc.com/wp-content/uploads/2021/05/Afentra-Annual-Report-2020_WEB.pdf
Afentra's audited results for the year ended 31 December 2021	https://afentraplc.com/wp-content/uploads/2022/04/Afentra-Annual-Report-2021_WEB.pdf
Afentra's audited results for the year ended 31 December 2022	https://afentraplc.com/wp-content/uploads/2023/05/Afentra-Annual-Report-2022_WEB.pdf
Afentra's unaudited interim results for the six months ended 30 June 2023	https://afentraplc.com/wp-content/uploads/2023/09/2023-AETplc-Interim-Report-110923.pdf

SECTION B: UNAUDITED HISTORICAL FINANCIAL INFORMATION RELATING TO THE INA ASSETS

The unaudited historical financial information on the INA Assets presented in this document has been compiled on the following basis:

Basis of preparation

The revenue and expenditure presented down to EBITDA has been prepared on a cash basis for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023. EBITDA therefore represents the aggregate total cash inflows and outflows of the INA Assets during each reporting period.

The items presented below EBITDA represent non-cash accounting adjustments and, therefore, do not represent actual cash inflows and outflows during each reporting period.

Revenue

Revenue relates to the sale of oil from the barrels to which INA was entitled due to its participation in the INA Assets. Revenue is recognised when liftings occur and is a function of the quantity of barrels of oil lifted and the sales price achieved per barrel.

Production expenditure, logistics & transportation, maintenance & repairs and administration & services

Production expenditure, logistics & transportation, maintenance & repairs and administration & services are expenditures incurred by the operator in its role of conducting the joint operations of the INA Assets. Such costs are recharged to INA on the basis of its working interest percentage in the INA Assets. The recharges are reported to INA via “*joint interest billing statements*” prepared by the operator, which categorise expenditures as either “*operating*” or “*administration & services*”. For presentation purposes within this document, “*operating expenditure*” has been sub-categorised into:

- production expenditure;
- logistics & transportation costs; and
- maintenance & repairs.

Costs incurred include, but are not limited to:

- costs to maintain and repair the INA Assets’ property, plant and equipment in operation;
- transport, lift and export oil; and
- costs of personnel responsible for the operation of the INA Assets.

Depreciation, oil overlift and decommissioning charges

Non-cash items of depreciation, oil overlift and decommissioning charges have also been included as part of the INA Assets’ unaudited historical financial information.

Depreciation relates to charges to property, plant and equipment in operation on the INA Assets. INA calculated depreciation on the INA Assets up to 31 March 2022 using their calculation methodology: $\text{annual production} / (\text{annual production} + \text{final developed reserves}) \times \text{current field value} = \text{depreciation charge per bbl}$. From 1 April 2022, Afentra calculated depreciation charges using their own calculation methodology: $\text{total cost of assets} + \text{future capex} / \text{2P reserves} = \text{depreciation charge per bbl}$. Depreciation expense is a function of the number of bbls produced and the depreciation charge per bbl within each period as set out below.

Unaudited pro forma Income Statement

The unaudited *pro forma* income statement of the INA Assets for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023 are as follows:

	Year ended 31 December 2020 (Unaudited)	Year ended 31 December 2021 (Unaudited)	Year ended 31 December 2022 (Unaudited)	Six-months ended 30 June 2023 (unaudited)	Six-months ended 30 June 2022 (unaudited)
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	2,278	13,051	19,203	—	19,203
Production expenditure	(1,535)	(2,054)	(2,114)	(921)	(1,128)
Logistics & transportation	(2,254)	(2,845)	(2,957)	(1,481)	(1,503)
Maintenance & repairs	(2,664)	(2,646)	(1,722)	(1,163)	(420)
Administration & services	247	(731)	(453)	(144)	(364)
EBITDA	(3,928)	4,775	11,956	(3,709)	15,789
Oil overlift	(6)	12	(643)	—	(643)
Impairment	1,736	—	(906)	—	—
Depreciation	(3,018)	(2,824)	(2,677)	(1,273)	(1,427)
Decommissioning expense	(574)	(574)	(574)	(287)	(287)
Operating (loss)/profit	(5,790)	1,389	7,156	(5,269)	13,432

EBITDA for the year ended 31 December 2020 was negative due to the combined effect of a small lift being performed during the year and oil prices falling below \$20 per bbl during 2020 as a result of significant reductions in demand for oil during COVID pandemic. EBITDA for the years ended 31 December 2021 and 31 December 2022 were positive as a result of a larger quantity of bbls being lifted and significant increases in oil prices as the demand for oil increased post-pandemic. EBITDA during the six-months ended 30 June 2023 was negative as a result of no lifts being performed during the period.

Production expenditure and logistics & transportation costs increased during the years ended 31 December 2021 and 31 December 2022, as activity on the INA Assets increased following the easing of the COVID pandemic.

Maintenance and repairs costs during the year ended 31 December 2021 remained consistent with the year ended 31 December 2020 as a result of five-year inspection costs. Costs subsequently reduced during the year ended 31 December 2022 as normal ongoing maintenance and repairs works were performed.

Administration and services expenditure was positive during the year ended 31 December 2020 as a result of foreign exchange movements between the Angolan Kwanzas and USD, resulting in a negative expense during this period. Administration and services expenditure subsequently became negative during the year ended 31 December 2021, primarily due to strengthening of the Angolan Kwanzas against the USD leading to foreign exchange losses being incurred. This is due to costs being partly incurred in Angolan Kwanzas, by the operator, whilst the functional and reporting currency of the Assets is United States Dollar.

JIB expenditure for the six-months ended 30 June 2023 broadly tracked with the run-rate for the year ended 31 December 2022.

SECTION C: UNAUDITED HISTORICAL FINANCIAL INFORMATION RELATING TO THE SONANGOL ASSETS

The unaudited historical financial information on the Sonangol Assets presented in this document has been compiled on the following basis:

Basis of preparation

The revenue and expenditure presented down to EBITDA has been prepared on a cash basis for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023. EBITDA therefore represents the aggregate total cash inflows and outflows of the Sonangol Assets during each reporting period.

The items presented below EBITDA represent non-cash accounting adjustments and, therefore, do not represent actual cash inflows and outflows during each reporting period.

Revenue

Revenue relates to the sale of oil from the barrels to which Sonangol was entitled due to its participation in the Sonangol Assets. Revenue is recognised when liftings occur and is a function of the quantity of barrels of oil lifted and the sales price achieved per barrel.

Production expenditure, logistics & transportation, maintenance & repairs and administration & services

Production expenditure, logistics & transportation, maintenance & repairs and administration & services are expenditures incurred by the operator in its role of conducting the joint operations of the Sonangol Assets. Such costs are recharged to Sonangol on the basis of its working interest percentage in the Sonangol Assets. The recharges are reported to Sonangol via “*joint interest billing statements*” prepared by the operator, which categorise expenditures as either “*operating*” or “*administration & services*”. For presentation purposes within this document, “*operating expenditure*” has been sub-categorised into:

- production expenditure;
- logistics & transportation costs; and
- maintenance & repairs.

Costs incurred include, but are not limited to:

- costs to maintain and repair the Sonangol Assets’ property, plant and equipment in operation;
- transport, lift and export oil; and
- costs of personnel responsible for the operation of the Sonangol Assets.

Depreciation, oil overlift and decommissioning charges

Non-cash items of depreciation, oil overlift and decommissioning charges have also been included as part of the Sonangol Assets’ unaudited historical financial information.

Depreciation relates to charges to property, plant and equipment in operation on the Sonangol Assets. Sonangol calculated depreciation on the Sonangol Assets up to 31 March 2022 using their calculation methodology: $\text{annual production} / (\text{annual production} + \text{final developed reserves}) \times \text{current field value} = \text{depreciation charge per bbl}$. From 1 April 2022, Afentra calculated depreciation charges using their own calculation methodology: $\text{total cost of assets} + \text{future capex} / 2\text{P reserves} = \text{depreciation charge per bbl}$. Depreciation expense is a function of the number of bbls produced and the depreciation charge per bbl within each period as set out below.

Unaudited pro forma Income Statement

The unaudited *pro forma* income statement of the Sonangol Assets for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023 are as follows:

	Year ended 31 December 2020 (Unaudited)	Year ended 31 December 2021 (Unaudited)	Year ended 31 December 2022 (Unaudited)	Six-months ended 30 June 2023 (unaudited)	Six-months ended 30 June 2022 (unaudited)
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	28,311	40,995	75,877	32,633	48,471
Production expenditure	(6,727)	(8,450)	(8,448)	(3,481)	(4,429)
Logistics & transportation	(8,024)	(9,957)	(10,349)	(5,183)	(5,262)
Maintenance & repairs	(9,322)	(9,260)	(6,029)	(4,071)	(1,468)
Administration & services	834	(2,528)	(1,411)	(460)	(1,294)
EBITDA	5,073	10,798	49,640	19,438	36,017
Oil overlift	(569)	—	—	(3,144)	(1,880)
Depreciation	(5,180)	(6,374)	(8,858)	(4,333)	(4,481)
Decommissioning expense	(2,009)	(2,009)	(2,009)	(1,005)	(1,005)
Operating (loss)/profit	(2,685)	2,416	38,774	10,956	28,651

EBITDA in respect of the Sonangol Assets was positive in each year, increasing year-on-year with the largest EBITDA result during the year ended 31 December 2022. The increase in EBITDA during the three-year period was primarily driven by significant increases in oil prices as the demand for oil returned following the easing of COVID restrictions and lockdowns. EBITDA remained positive during the six-months ended 30 June 2023 as Sonangol performed regular lifts during the period, which were broadly consistent with the timing and quantum of bbls lifted during the year ended 31 December 2022.

Production expenditure and logistics & transportation costs increased during the years ended 31 December 2021 and 31 December 2022, as activity on the Sonangol Assets increased following the easing of the COVID pandemic.

Maintenance and repairs costs during the year ended 31 December 2021 remained consistent with the year ended 31 December 2020 as a result of five-year inspection costs. Costs subsequently reduced during the year ended 31 December 2022 as normal ongoing maintenance and repairs works were performed.

Administration and services expenditure was positive during the year ended 31 December 2020 as a result of foreign exchange movements between the Angolan Kwanza and USD, resulting in a negative expense during this period. Administration and services expenditure subsequently became negative during the year ended 31 December 2021, primarily due to strengthening of the Angolan Kwanza against the USD leading to foreign exchange losses being incurred. This is due to costs being partly incurred in Angolan Kwanza, by the operator, whilst the functional and reporting currency of the Assets is United States Dollar.

JIB expenditure for the six-months ended 30 June 2023 broadly tracked with the run-rate for the year ended 31 December 2022.

SECTION D: UNAUDITED HISTORICAL FINANCIAL INFORMATION RELATING TO THE AZULE ASSETS

The unaudited historical financial information on the Azule Assets presented in this document has been compiled on the following basis:

Basis of preparation

The revenue and expenditure presented down to EBITDA has been prepared on a cash basis for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023. EBITDA therefore represents the aggregate total cash inflows and outflows of the Azule Assets during each reporting period.

The items presented below EBITDA represent non-cash accounting adjustments and, therefore, do not represent actual cash inflows and outflows during each reporting period.

Revenue

Revenue relates to the sale of oil from the barrels to which Azule was entitled due to its participation in the Azule Assets. Revenue is recognised when liftings occur and is a function of the quantity of barrels of oil lifted and the sales price achieved per barrel.

Production expenditure, logistics & transportation, maintenance & repairs and administration & services

Production expenditure, logistics & transportation, maintenance & repairs and administration & services are expenditures incurred by the operator in its role of conducting the joint operations of the Azule Assets. Such costs are recharged to Azule on the basis of its working interest percentage in the Azule Assets. The recharges are reported to Azule via “*joint interest billing statements*” prepared by the operator, which categorise expenditures as either “*operating*” or “*administration & services*”. For presentation purposes within this document, “*operating expenditure*” has been sub-categorised into:

- production expenditure;
- logistics & transportation costs; and
- maintenance & repairs.

Costs incurred include, but are not limited to:

- costs to maintain and repair the Azule Assets’ property, plant and equipment in operation;
- transport, lift and export oil; and
- costs of personnel responsible for the operation of the Azule Assets.

Depreciation, oil overlift and decommissioning charges

Non-cash items of depreciation, oil overlift and decommissioning charges have also been included as part of the Azule Assets’ unaudited historical financial information.

Depreciation relates to charges to property, plant and equipment in operation on the Azule Assets. Afentra calculated depreciation charges relating to the Azule Assets using their calculation methodology: total cost of assets + future capex / 2P reserves = depreciation charge per bbl. Depreciation expense is a function of the numbers of bbls produced and the depreciation charge per bbl within each period as set out below.

Unaudited pro forma Income Statement

The unaudited *pro forma* income statement of the Azule Assets for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six-month periods ended 30 June 2022 and 30 June 2023 are as follows:

	Year ended 31 December 2020 (Unaudited)	Year ended 31 December 2021 (Unaudited)	Year ended 31 December 2022 (Unaudited)	Six-months ended 30 June 2023 (unaudited)	Six-months ended 30 June 2022 (unaudited)
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	—	37,043	58,296	—	58,296
Production expenditure	(5,808)	(7,283)	(7,304)	(3,076)	(3,810)
Logistics & transportation	(6,890)	(8,534)	(8,871)	(4,442)	(4,510)
Maintenance & repairs	(7,864)	(7,938)	(5,167)	(3,490)	(1,259)
Administration & services	552	(2,333)	(1,496)	(474)	(1,152)
EBITDA	(20,010)	10,956	35,458	(11,481)	47,566
Oil overlift	—	—	—	—	—
Depreciation	(8,196)	(7,100)	(7,592)	(3,819)	(3,841)
Decommissioning expense	(1,722)	(1,722)	(1,722)	(861)	(861)
Operating (loss)/profit	(29,928)	2,133	26,144	(16,161)	42,864

EBITDA for the year ended 31 December 2020 was negative as a result of nil lifts being performed by Azule during the year. EBITDA for the years ended 31 December 2021 and 31 December 2022 increased significantly as a result of Azule performing lifts and significant increases in oil prices as the demand for oil returned following the easing of COVID restrictions and lockdowns. EBITDA returned negative during the six-months ended 30 June 2023 as a result of nil lifts being performed during the period.

Production expenditure and logistics & transportation costs increased during the years ended 31 December 2021 and 31 December 2022, as activity on the Azule Assets increased following the easing of the COVID pandemic.

Maintenance and repairs costs during the year ended 31 December 2021 remained consistent with the year ended 31 December 2020 as a result of five-year inspection costs. Costs subsequently reduced during the year ended 31 December 2022 as normal ongoing maintenance and repairs works were performed.

Administration and services expenditure was positive during the year ended 31 December 2020 as a result of foreign exchange movements between the Angolan Kwanza and USD, resulting in a negative expense during this period. Administration and services expenditure subsequently became negative during the year ended 31 December 2021, primarily due to strengthening of the Angolan Kwanza against the USD leading to foreign exchange losses being incurred. This is due to costs being partly incurred in Angolan Kwanza, by the operator, whilst the functional and reporting currency of the Assets is United States Dollar.

JIB expenditure for the six-months ended 30 June 2023 broadly tracked with the run-rate for the year ended 31 December 2022.

PART 6

UNAUDITED PRO FORMA FINANCIAL INFORMATION

SECTION A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION



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18 September 2023

The Directors
Afentra Plc
High Holborn House
52-54 High Holborn
London WC1V 6RL

Peel Hunt LLP
7th Floor
100 Liverpool Street
London EC2M 2AT

Dear Sirs and Madams,

We report on the unaudited *pro forma* statement of net assets of Afentra Plc (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at 30 June 2023 (the “**Pro Forma Financial Information**”) set out in Section B “*Unaudited Pro Forma Financial Information*” of Part 6 “*Unaudited Pro Forma Financial Information*” of the Company’s AIM admission document dated 18 September 2023 (the “**Document**”).

Opinion

In our opinion:

- the *Pro Forma* Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the “**Directors**”) to prepare the *Pro Forma* Financial Information.

It is our responsibility to form an opinion as to the proper compilation of the *Pro Forma* Financial Information and to report that opinion to you.

No reports or opinions have been made by us on any financial information used in the compilation of the *Pro Forma* Financial Information. In providing this opinion, we are not providing any assurance on any source financial information on which the *Pro Forma* Financial Information is based beyond the above opinion.

Basis of preparation

The *Pro Forma* Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the acquisition of Sonangol Pesquisa e Produção, S.A.'s working interests in Block 3/05 and Block 23 (together, the "**Sonangol Assets**");
- the acquisition of Azule Energy Angola Production B.V.'s working interests in Block 3/05 and Block 3/05A (together, the "**Azule Assets**");
- the drawdown of funds from the Company's senior secured, reserve-based term loan facility (the "**Acquisition Facility**") and the Working Capital Facility; and
- settlement of costs associated with the acquisitions of the Sonangol Assets and the Azule Assets and Admission.

might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the unaudited consolidated interim financial information for the six-month period ended 30 June 2023.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the "**FRC**"). We are independent of the Company in accordance with relevant ethical requirements. In the United Kingdom this is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *Pro Forma* Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the *Pro Forma* Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of paragraph (a) of Schedule 2 AIM Rules for Companies, we are responsible for this report as part of the document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION B: UNAUDITED PRO FORMA FINANCIAL INFORMATION

Set out below is the *Pro Forma* Financial Information, which has been prepared on the basis of the unaudited consolidated interim financial information of the Group as at 30 June 2023, as adjusted for:

- the drawdown of funds from the Acquisition Facility and the Working Capital Facility;
- settlement of costs associated with the Acquisitions and Admission;
- the acquisition of the Sonangol Assets; and
- the acquisition of the Azule Assets.

as set out in the notes below. The *Pro Forma* Financial Information has been prepared for illustrative purposes only and because of its nature will not represent the actual financial position of the Group as at the date of Admission.

Unaudited pro-forma net assets

	(Unaudited) The Group (Note 1)	<i>Adjustment</i> Acquisition Facility (Note 2)	<i>Adjustment</i> Transaction costs (Note 3)	<i>Adjustment</i> Acquisition of the Sonangol Assets (Note 4)	<i>Adjustment</i> Acquisition of the Azule Assets (Note 5)	(Unaudited) <i>Pro forma</i> net assets of the Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>						
Property, plant and equipment	28,091	—	—	47,042	46,229	121,362
Intangible exploration assets	21,346	—	—	—	—	21,346
Decommissioning asset	12,718	—	—	44,514	38,155	95,387
Fixtures, fittings and equipment	440	—	—	—	—	440
non-current assets	62,595	—	—	91,556	84,384	238,535
<i>Current assets</i>						
Inventories	9,735	—	—	2,917	1,424	14,076
Trade and other receivables	9,008	—	—	18,127	19,654	46,789
Cash and cash equivalents	7,725	52,071	(1,250)	(15,910)	(32,601)	10,036
Restricted funds	8,000	—	—	(8,000)	—	—
Current assets	34,468	52,071	(1,250)	(2,866)	(11,523)	70,900
Total assets	97,063	52,071	(1,250)	88,690	72,861	309,435
<i>Non-current liabilities</i>						
Non-current debt financing	(10,473)	(45,441)	—	—	—	(55,914)
Contingent consideration	(4,264)	—	—	(20,324)	(10,745)	(35,333)
Decommissioning liability	(12,718)	—	—	(44,514)	(38,155)	(95,387)
Lease liability	(146)	—	—	—	—	(146)
Total non-current liabilities	(27,601)	(45,441)	—	(64,838)	(48,900)	(186,779)
<i>Current liabilities</i>						
Current debt financing	(11,465)	(6,630)	—	—	—	(19,725)
Trade and other payables	(10,578)	—	—	(20,352)	(22,461)	(53,591)
Contingent consideration	(1,378)	—	—	(3,500)	(1,500)	(6,378)
Lease liability	(114)	—	—	—	—	(114)
Total current liabilities	(23,535)	(6,630)	—	(23,852)	(23,961)	(77,978)
Total liabilities	(51,136)	(52,071)	—	(88,690)	(72,861)	(264,758)
Net assets	45,927	—	(1,250)	—	—	44,677

Notes:

1. The financial information of the Group as at 30 June 2023 has been extracted, without further adjustment, from the unaudited, consolidated interim financial information of the Company incorporated by reference in Section A "*Historical financial information relating to the Group*" of Part 5 of this document. No account has been taken of the activities of the Group subsequent to 30 June 2023, except for those set out in the notes below.

2. The adjustment represents the drawdown of \$52,071,000 from the Acquisition Facility to part-finance the aggregate cash cost of the Acquisitions of \$56,511,000, comprising \$23,910,000 in respect of the Sonangol Assets and \$32,601,000 in respect of the Azule Assets. The balance of \$4,440,000 is settled from the Group's existing cash and cash equivalents.
3. The adjustment represents the payment in cash of the costs associated with the Acquisitions and Admission, being \$1,250,000.
4. The adjustment represents the acquisition of the Sonangol Assets for total consideration of \$58,910,000, comprising initial consideration of \$23,410,000 in respect of Block 3/05 and \$500,000 in respect of Block 23 and contingent consideration of an additional \$35,000,000 in respect of Block 3/05. The current value of the contingent consideration of \$35,000,000 has been calculated at \$23,824,000 using a discount rate of 9.7925%, giving rise to a current aggregate value acquisition cost of \$47,734,000. Both the initial aggregate cash consideration of \$23,910,000 and the aggregate value acquisition cost of \$47,734,000 are stated net of post-effective date adjustments, in accordance with IFRS. The consideration payable, together with the assets and liabilities acquired on acquisition of the Sonangol Assets, are summarised below:

Consideration payable	Block 3/05	Block 23	Total
	\$'000	\$'000	\$'000
Cash consideration for Block 3/05 on acquisition	23,410	—	23,410
Current value of contingent consideration on Block 3/05	23,824	—	23,824
Cash consideration for Block 23 on acquisition	—	500	500
Total consideration for the Sonangol Assets	47,234	500	47,734
Assets and liabilities acquired			
Inventories	2,917	—	2,917
Trade and other receivables	18,127	—	18,127
Trade and other payables	(20,352)	—	(20,352)
<i>Net assets acquired on acquisition</i>	<i>692</i>	<i>—</i>	<i>692</i>
Carrying value of Block 3/05	46,542	—	46,542
Carrying value of Block 23	—	500	500
Carrying value of the Sonangol Assets acquired	47,234	500	47,734

The acquisition of the Sonangol Assets results in:

- an increase to “*property, plant and equipment*” within “*non-current assets*” of \$47,042,000, of which \$46,542,000 relates to Block 3/05 and \$500,000 to Block 23;
- an increase to “*inventories*” within “*current assets*” of \$2,917,000;
- an increase to “*trade and other receivables*” within “*current assets*” of \$18,127,000;
- an increase to “*contingent consideration*” of \$23,824,000, of which \$3,500,000 is recorded within “*current liabilities*” and \$20,324,000 within “*non-current liabilities*”; and
- an increase to “*trade and other payables*” within “*current liabilities*” of \$20,352,000.

On acquisition of the Sonangol Assets, the Company is due to pay an aggregate of \$23,910,000 in cash, being \$23,410,000 in respect of Block 3/05 and \$500,000 in respect of Block 23. The \$23,910,000 settlement in cash is reflected in decreases to “*cash and cash equivalents*” of \$15,910,000 and to “*restricted cash*” of \$8,000,000, both within “*current assets*”.

In addition to the recognition of the assets and liabilities acquired on the acquisition of the Sonangol Assets, the Company has also recognised a decommissioning liability in relation to the Sonangol Assets of \$117,959,000, which when discounted at a rate of 5.9% over 18 years ending 2040, gives rise to a discounted decommissioning liability of \$44,514,000. This liability

is reflected within “*decommissioning liability*” within “*non-current assets*”. A decommissioning asset of the same value has been recognised within “*decommissioning asset*” within “*non-current assets*”, in conformity with IFRS. The decommissioning provision is prefunded and therefore no future cash outflow is expected to take place in relation to this liability.

5. The adjustment represents the acquisition of the Azule Assets for total consideration of \$50,091,000, comprising initial consideration of \$31,601,000 in respect of Block 3/05 and \$1,000,000 in respect of Block 3/05A, together with contingent consideration of an additional \$17,490,000, comprising \$2,490,000 in respect of Block 3/05 and \$15,000,000 in respect of Block 3/05A. The current value of the contingent consideration of \$17,490,000 has been calculated at \$12,245,000 using a discount rate of 9.7925%, giving rise to a current aggregate value acquisition cost of \$44,846,000. Both the initial aggregate cash consideration of \$32,601,000 and the aggregate value acquisition cost of \$44,846,000 are stated net of post-effective date adjustments, in accordance with IFRS. The consideration payable, together with the assets and liabilities acquired on acquisition of the Azule Assets, are summarised below:

Consideration payable	Block 3/05	Block 3/05A	Total
	\$'000	\$'000	\$'000
Cash consideration for Block 3/05 on acquisition	31,601	—	31,601
Current value of contingent consideration on Block 3/05	2,382	9,863	12,245
Cash consideration for Block 3/05A on acquisition	—	1,000	1,000
Total consideration for the Azule Assets	33,983	10,863	44,846
Assets and liabilities acquired			
Inventories	156	1,268	1,424
Trade and other receivables	15,538	4,116	19,654
Trade and other payables	(17,451)	(5,010)	(22,461)
<i>Net (liabilities)/assets acquired on acquisition</i>	<i>(1,757)</i>	<i>374</i>	<i>(1,383)</i>
Carrying value of Block 3/05	35,740	—	35,740
Carrying value of Block 3/05A	—	10,489	10,489
Carrying value of the Azule Assets acquired	33,983	10,863	44,846

The acquisition of the Azule Assets results in:

- an increase to “*property, plant and equipment*” within “*non-current assets*” of \$46,229,000, of which \$35,740,000 relates to Block 3/05 and \$10,489,000 to Block 3/05A;
- an increase to “*inventories*” within “*current assets*” of \$1,424,000;
- an increase to “*trade and other receivables*” within “*current assets*” of \$19,654,000;
- an increase to “*contingent consideration*” of \$12,245,000, of which \$1,500,000 is recorded within “*current liabilities*” and \$10,745,000 within “*non-current liabilities*”; and
- an increase to “*trade and other payables*” within “*current liabilities*” of \$22,461,000.

On acquisition of the Azule Assets, the Company is due to pay an aggregate of \$32,601,000 in cash, being \$31,601,000 in respect of Block 3/05 and \$1,000,000 in respect of Block 3/05A. The \$32,601,000 settlement in cash is reflected in decreases to “*cash and cash equivalents*” of this amount within “*current assets*”.

In addition to the recognition of the assets and liabilities acquired on the acquisition of the Azule Assets, the Company has also recognised a decommissioning liability in relation to the Azule Assets of \$101,107,000, which when discounted at a rate of 5.9% over 18 years ending 2040, gives rise to a discounted decommissioning liability of \$38,155,000. This liability is reflected within “*decommissioning liability*” within “*non-current assets*”. A decommissioning asset of the same value has been recognised within “*decommissioning asset*” within “*non-current assets*”, in conformity with IFRS. The decommissioning provision is prefunded and therefore no future cash outflow is expected to take place in relation to this liability.

PART 7

ADDITIONAL INFORMATION

1 RESPONSIBILITY

- 1.1 The Directors, whose names appear on page 20 of this document, accept responsibility, individually and collectively, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 ERCE, accepts responsibility for its report set out in Part 9 of this document. To the best of the knowledge of ERCE (which has taken all reasonable care to ensure that said is the case), the information contained in such report is in accordance with the facts and does not omit anything likely to affect the import of such information. To the extent that ERCE has relied on information provided by the Company in compiling the Competent Person's Report, ERCE has assumed that such information is accurate and complete.

2 THE COMPANY

- 2.1 The Company was incorporated and registered in England and Wales on 30 September 1983 under the name Ribonwell Limited with registered number 01757721 as a private company limited by shares under the under the Companies Acts 1948 to 1981.
- 2.2 On 31 July 1997, the Company was re-registered as a public company under Section 43 of the Companies Act 1985 and was renamed Lepco PLC.
- 2.3 On 23 October 2002, the Company was renamed 'Sterling Energy plc'.
- 2.4 On 4 May 2021, the Company was renamed 'Afentra plc'.
- 2.5 The principal legislation under which the Company operates is the Act.
- 2.6 The liability of the Company's members is limited.
- 2.7 The Company was issued with a certificate of re-registration pursuant to section 49 of the Companies Act 1985 on 31 July 1997.
- 2.8 The registered office and principal place of business of the Company is High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL and its telephone number is +44 (0)20 7405-4133.
- 2.9 The Company's website is at <https://afentraplc.com>.

3 THE GROUP AND ITS PRINCIPAL ACTIVITIES

- 3.1 The business of the Company and its principal activity is to act as a holding company. The Group's activities and operations are carried on by Afentra (UK) Ltd., a wholly-owned subsidiary of the Company. The Company will, upon Admission, be the holding company of the Group and its subsidiaries will be:-

Name	Registered Number	Principal activity	Status	Country of incorporation	Interest held
Afentra (UK) Ltd	04087253	Exploration for oil and gas	Active	England and Wales	100%
Afentra Overseas Limited	09353584	Investment holding company	Active	England and Wales	100%
Afentra (Angola) Ltd	14048343	Exploration for oil and gas	Active	England and Wales	100%
Afentra Northwest Africa Holdings Limited	107016	Exploration for oil and gas	Active	Jersey	100%
Afentra Energy Holdings Limited	107801	Investment holding company	Active	Jersey	100%
Afentra Energy (East Africa) Limited	285527	Exploration for oil and gas	Active	Jersey	100%

- 3.2 Save as referred to in the paragraphs above, the Company does not hold any shares or other securities in the capital of any company and is not otherwise part of a group of companies.

4 SHARE CAPITAL

- 4.1 The authorised and issued share capital of the Company as at the date of this document and as it will be immediately following Admission is set out below:-

	Authorised		Issued and fully paid	
	Number	Amount	Number	Amount
As at the date of this document				
Ordinary Shares	220,053,520	£22,005,352	220,053,520	£22,005,352
As at Admission Ordinary Shares	220,053,520	£22,005,352	220,053,520	£22,005,352

- 4.2 The Company was incorporated with an authorised share capital of £100.00 divided into 100 ordinary shares of £1.00 each of which 2 shares were issued and fully paid. Since 1 January 2019 to 15 September 2023, being the latest practicable Business Day prior to publication of this document, there have been no alterations to the Company's share capital.

- 4.3 At the Company's 2023 Annual General Meeting the Shareholders approved the following authorities:

- 4.3.1 pursuant to an ordinary resolution of the Company the Directors were generally and unconditionally authorised for the purposes of section 551 of the Act to exercise all of the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares in the Company:

4.3.1.1 up to an aggregate nominal amount of £7,335,117; and

4.3.1.2 up to a further aggregate nominal amount of £7,335,117 in connection with a rights issue to holders of ordinary shares in proportion (as nearly as may be practicable) to the respective number of Ordinary Shares held by them on the relevant record date, but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever;

- 4.3.2 pursuant to a special resolution of the Company the Directors were generally and unconditionally empowered to allot equity securities (including the grant of rights to subscribe for, or to convert any securities into equity securities) for cash either pursuant to the authority described in paragraph 4.3.1 or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that this authority is limited to:

4.3.2.1 the allotment of equity securities for cash in connection with a rights issue, open offer or other pre-emptive offer to holders of Ordinary Shares on the register of members on a date fixed by the Board where the equity securities respectively attributable to the interests of all such holders of Ordinary Shares are proportionate (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on that date (subject to such exclusions or other arrangements in connection with the rights issue, open offer or other pre-emptive offer as the Directors deem necessary or expedient to deal with shares held in treasury, fractional entitlements to equity securities and to deal with any legal or practical problems or issues arising in any overseas territory or under the requirements of any regulatory body or stock exchange); and

4.3.2.2 the allotment of equity securities or the sale of treasury shares (otherwise than pursuant to paragraph 4.3.2.1 up to a maximum aggregate nominal amount of £1,100,268; and

- 4.3.3 pursuant to a special resolution of the Company, the Directors were empowered pursuant to sections 570(1) and 573 of the Act to:
- 4.3.3.1 allot equity securities of the Company (as defined in section 560 of the Act) for cash pursuant to the authority conferred by the resolution detailed at paragraph 4.3.1 above; and/or
 - 4.3.3.2 sell ordinary shares (as defined in section 560(1) of the Act) held by the Company as treasury shares for cash, as if section 561 of the Act did not apply to such allotment or sale,
- provided that this power is:
- 4.3.3.3 limited to the allotment of equity securities having, in the case of ordinary shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding the sum of £1,100,268; and
 - 4.3.3.4 to be used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Company's directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice;
- provided that such powers expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of the 2023 Annual General Meeting, except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of such authority, save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by such resolution had not expired.
- 4.4 The Directors do not presently intend to exercise the powers set out in paragraph 4.3 of this Part 7.
- 4.5 The Ordinary Shares shall have the rights and be subject to the restrictions referred to in paragraph 5.1 of this Part 7.
- 4.6 Save as set out in paragraphs 4, 6.1 and 6.2 of this Part 7, at Admission the Company will not have any Ordinary Shares in issue or under option. In addition the Company will not have in issue any securities not representing share capital or any outstanding convertible securities.
- 4.7 The Company does not have in issue any securities not representing share capital.
- 4.8 There are no shares held by or on behalf of the Company in itself or by any other member of the Group in the Company.
- 4.9 Save as set out in this document the Company has not issued any convertible securities, exchangeable securities or securities with warrants.
- 4.10 Save as disclosed in this document, no person has any acquisition right over, and the Company has incurred no obligation over, the Company's authorised but unissued share capital or given any undertaking to increase the Company's capital.
- 4.11 Save as disclosed in this Part 7:-
- 4.11.1 no share or loan capital of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
 - 4.11.2 no unissued share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

- 4.11.3 no commission, discount, brokerage or any other special term has been granted by the Company or any of its subsidiaries or is now proposed in connection with the issue or sale of any part of the share or loan capital of the Company or any of its subsidiaries;
- 4.11.4 no fee and no founder, management or deferred shares have been issued by the Company; and
- 4.11.5 there has been no change in the amount of the issued share capital of the Company and no material change in the amount of the issued share capital of any of its subsidiaries.

5 SUMMARY OF THE ARTICLES OF ASSOCIATION

5.1 Articles

The Articles of the Company include provisions to the following effect:-

5.1.1 Objects

The Articles contain no restriction on the objects of the Company.

5.1.2 Capital structure

The share capital of the Company is represented by an unlimited number of Ordinary Shares having the rights described in the Articles.

5.1.3 Voting rights

Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every Ordinary Share of which he is the holder. Votes may be given personally or by proxy.

5.1.4 Dividends

Subject to the Act and as set out in the Articles, the Company may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the Board. The Board may at any time declare and pay such interim dividends as appears to be justified by the position of the Company.

Except as otherwise provided by the rights attached to the shares, all dividends shall be declared and paid according to the amounts paid up on the nominal amount of the shares on which the dividend is paid but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the nominal amount of the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

The Board may, by ordinary resolution of the Company, subject to the Act and such terms and conditions as the Board may determine, offer to any holders of Ordinary Shares (excluding any member holding shares as treasury shares) the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The entitlement of each holder of shares to new shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. The relevant value shall be calculated by reference to the average of the middle market quotation for the shares on the London Stock Exchange as derived from the AIM appendix to the London Stock Exchange's Daily Official List (or any other publication of a recognised investment exchange showing quotations for the Company's shares) for the day on which the shares are first quoted "ex" the relevant dividend and the four

subsequent dealing days, or in such other manner as the Board may determine on such basis as it considers to be fair and reasonable. No fractions of a share shall be allotted.

Any dividend or other moneys payable in respect of a share may be paid:-

5.1.4.1 in cash;

5.1.4.2 by cheque or warrant sent by post to the address in the register of members of the person entitled to the moneys or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder or otherwise by operation of law, to the address in the Register of that one of those persons who is first named in the Register in respect of the joint holding or to such person and to such address as the person or persons entitled to the moneys may in writing direct. Every such cheque or warrant shall be made payable to the person or persons entitled to the moneys or to such other person as the person or persons so entitled may in writing direct and shall be sent at the risk of the person or persons so entitled. Any such cheque or warrant may be crossed "account payee" although the Company shall not be obliged to do so;

5.1.4.3 by bank transfer to such account (of a type approved by the Board) as the person or persons entitled to the moneys may in writing direct; or

5.1.4.4 by such other method of payment approved by the Board as the person or persons entitled to the moneys may in writing agree to.

5.1.5 **Redemption**

Subject to the provisions of the Act and the Articles, the Company can issue shares which are required to be redeemed and shares which may be redeemed at the option of the Company or the relevant member.

5.1.6 **Variation of class rights**

Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of the shares in issue may from time to time be varied or abrogated, whether or not the Company is being wound up, with the sanction of a special resolution passed at a separate meeting of holders of the issued shares of the class held in accordance with the Articles (but not otherwise).

The special rights conferred on the holders of any shares or class of shares shall, unless otherwise provided by the Articles or the terms of issue of the shares concerned, be deemed to be varied by a reduction of capital paid up on those shares but shall be deemed not to be varied by the creation or issue of further shares ranking *pari passu* with them or subsequent to them. The rights conferred on the holders of shares shall be deemed not to be varied by the creation or issue of any further shares ranking in priority to them nor shall any consent or sanction of the holders of Ordinary Shares be required to any variation or abrogation effected by a resolution on which only the holders of Ordinary Shares are entitled to vote.

5.1.7 **Issue of shares**

Subject to the provisions of the Act and without prejudice to any rights attaching to any existing shares, shares may be issued with such rights or restrictions as the Company may, by ordinary resolution, determine or in the absence of such determination, or as far as any such resolution does not make specific provision, as the Board may determine.

5.1.8 **Form and transfer of shares**

The Board may issue shares as certificated or uncertificated shares, subject to any restrictions on transfers described below:-

A share held in certificated form may be transferred by an instrument of transfer in any usual form or in any other form which the Board may approve, which shall be

executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. A share held in uncertificated form may be transferred by means of a relevant system. The transferor shall be deemed to remain the holder of the share until the transferee is entered on the Register as its holder.

Every member (other than a person who is not entitled to a certificate under the Act) is entitled, on becoming a holder of any shares in certificated form and without payment, to a certificate for all shares of each class held by him in certificated form. If a share certificate is defaced, worn out or said to be stolen, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity with or without security and otherwise as the Board may decide. Where the certificate is defaced or worn out, the old certificate must be delivered to the Company before a new certificate is issued. The Board may require the payment of any exceptional out-of-pocket expenses of the Company incurred in connection with the issue of any certificates.

The Board may, in the case of shares held in certificated form, in its absolute discretion refuse to register the transfer of a share which is not fully paid provided that, where any such shares are admitted to the Official List of the UKLA or admitted to trading on AIM, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

The Board may also refuse to register a transfer of shares held in certificated form unless the instrument of transfer is:-

- 5.1.8.1 duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty, lodged at the Transfer Office or at such other place as the Board may appoint and (save in the case of a transfer by a person to whom no certificate was issued in respect of the shares in question) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do;
- 5.1.8.2 for a share upon which the Company has a lien;
- 5.1.8.3 delivered for registration to the Company, accompanied by the certificate for the shares being transferred;
- 5.1.8.4 in respect of only one class of shares; and
- 5.1.8.5 in favour of not more than four transferees.

If the Board refuses to register a transfer of shares held in certificated form, it shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal together with its reasons for the refusal.

No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.

The Company shall be entitled to retain any instrument of transfer which is registered, but (except in the case of fraud) any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

For all purposes of these Articles relating to the registration of transfers of shares, the renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

If a member dies, the transmittee shall be the only person recognised by the Company as having any title to his shares; but nothing contained in these Articles

shall release the estate of the deceased member from any liability in respect of any share which had been held (whether solely or jointly) by him.

5.1.9 **Calls**

Subject to the terms of allotment, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares including any premium and each member shall (subject to being given at least 14 clear days' notice specifying where and when payment is to be made) pay to the Company the specified amount called on his shares. If any sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at a such rate (not exceeding 15 per cent. Per annum) as the Board may decide. The Board may at their discretion waive payment of any such interest in whole or in part.

5.1.10 **Forfeiture**

If a member fails to pay any call or instalment of a call on the day appointed for payment of such call or instalment, the Board may serve a notice on him requiring payment of so much of the amount unpaid, together with any interest which may have accrued and any expenses which have been incurred by the Company due to the default, by a date not less than 14 clear days from the date of the notice. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. An entry of such notice having been given and of the date of forfeiture shall immediately be made in the Register in respect of such share.

A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determine and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board think fit.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding such forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the shares, together with all expenses and interest from the date of forfeiture or surrender until payment, but his liability shall cease if and when the Company receives payment in full of the unpaid amount.

A statutory declaration in writing that the declarant is a Director or the secretary of the Company, and that the particular share of the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the forfeited share.

5.1.11 **Disclosure of interests**

The Company may give notice to any member or any person whom the Company knows or has reasonable cause to believe (a) to be interested in the Company's shares or (b) to have been so interested at any time in the three years immediately preceding the date on which the notice is issued. The notice may require the person (a) to confirm that fact or (as the case may be) to state whether or not it is the case and (b) if he holds, or has during that time held, any such interest, to give such further information as may be required in accordance with section 793 of the Act (including particulars of the interest (present or past) and the identity of the persons interested in the shares in question).

If the Company has served a disclosure notice on a member or any other person appearing to be interested in shares referred to in the disclosure notice, and the Company has not received the information required in the disclosure notice within fourteen days after service of the disclosure notice, the Board may determine that the member holding the specified shares shall be subject to restrictions in respect of those shares (including restrictions as to voting and, where the specified shares represent at least 0.25% of the issued shares of their class, the right to transfer the shares and right to receive dividends).

5.1.12 **Directors**

Unless otherwise determined by the Board, the number of directors shall be not less than two.

The Directors may be paid all reasonable travelling, hotel and other expenses as they may properly incur in connection with their attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.

The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director, employee or former employee who has held but no longer holds any office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking or a predecessor in business of the Company or of any subsidiary undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him and may establish maintain, subscribe and contribute to any fund and pay premiums for the purchase or provision of any such benefit. The power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, in connection with the cessation or the transfer to any person of the whole or party of the undertaking of the Company or any subsidiary shall be exercised by the Board.

At each annual general meeting all Directors shall retire from office except any Director appointed by the Board in the period between the notice of the annual general meeting being given and the annual general meeting being held. Unless the Director is removed or his office is vacated, a Director who retires at an annual general meeting shall be deemed to be re-appointed, if willing to act. Any Director may be removed from office by ordinary resolution of the Company of which special notice has been given in accordance with section 312 of the Act. The Directors are not subject to a mandatory retirement age.

5.1.13 **Directors' interests**

A Director who to his knowledge is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of his interest at a meeting of the Board.

A Director may not vote (or be counted in the quorum) in respect of any resolution of the Directors or committee of the Directors concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by his interest in shares or debentures or other securities of or otherwise in or through the Company). This is subject to certain exceptions including (i) where the contract, arrangements, transaction or proposal concerns general employee privileges or insurance policies for the benefit of Directors or (ii) in circumstances where a Director acts in a personal capacity in the giving of a guarantee, security or indemnity for the benefit of the Company or any of its subsidiary undertakings.

Any Director may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

5.1.14 **Disclosure of interests**

Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any interest of his in accordance with the Articles, a Director notwithstanding his office:-

- (i) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;

- (ii) may be a Director or other officer of, or employed by or party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (iii) shall not be, by reason of his office, accountable to the Company for any benefits derived from any such office or employment or from any transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

5.1.15 Authorisation of interests

The Directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a Director infringing his duty under the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest.

Authorisation of a matter is effective only if (i) the matter has been proposed to the Directors at a meeting of the Directors or for the authorisation of the Directors by resolution in writing and in accordance with the Board's normal procedures or in such other manner as the Board may approve, (ii) any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director; and (iii) the matter has been agreed to without the Director in question and any other interested Director voting or would have been agreed to if their votes had not been counted.

An interest of a person connected with a Director shall be treated as an interest of the Director. Section 252 of the Act shall determine whether a person is connected with a Director.

5.1.16 Borrowing powers

The Board may exercise all the powers of the Company to borrow money and to give guarantees, hypothecate, mortgage, charge or pledge the assets, property and undertaking of the Company or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Board shall restrict the borrowing powers of the Company to the extent that the aggregate amounts borrowed by the Group shall not exceed an amount equal to twenty five times the Adjusted Capital and Reserves without previous sanction of an ordinary resolution of the Company.

5.1.17 Annual General Meetings and General Meetings

An annual general meeting shall be held at such time and place as the Board may determine. The Board may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith convene a general meeting. If there are not sufficient Directors capable of acting to call a general meeting, any Director may call a general meeting. If there is no Director able to act, any two members may call a general meeting for the purpose of appointing Directors.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. A quorum is two members present in person or by proxy and entitled to vote upon the business to be transacted at the meeting.

The annual general meeting shall be called by at least 21 days' clear notice in writing. A meeting of the Company other than an annual general meeting shall be called by not less than 14 days' clear notice. The notice shall specify the place, the day and the time of the meeting and the general nature of the business to be transacted of the meeting, including the text of all resolutions to be considered. Every member entitled to attend and vote is entitled to appoint one or more proxies to attend, vote and speak instead of him and that a proxy need not be a member.

The accidental omission to give notice of a meeting, or to send an instrument of proxy or invitation to appoint a proxy as provided by these Articles, to any person entitled to receive notice, or the non-receipt of notice of a meeting or instrument of proxy or invitation to appoint a proxy by such a person, shall not invalidate the proceedings at that meeting.

Every notice of meeting shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, vote and speak instead of him and that a proxy need not be a member. The Company may specify in the notice, not more than forty-eight hours before the time fixed for the meeting, by which a person must be entered in the Register in order to have the right to attend or vote at the meeting or appoint a proxy to do so.

5.1.18 Annual Accounts and Financial Statements

Save as provided in the Articles, a copy of the annual accounts of the Company together with a copy of the auditors' report and the Directors' report and any other documents required to accompany or to be annexed to them shall, not less than 21 clear days before the date of the general meeting at which copies of those documents are to be laid, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings.

Copies of the documents referred to in the Articles need not be sent:-

- (i) to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or
- (ii) to more than one of the joint holders of shares or debentures in respect of those shares or debentures,

provided that any member or debenture holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

5.1.19 Winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

5.1.20 Untraceable shareholders

The Company shall be entitled to sell at the best price reasonably obtainable any member's shares or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if:-

- (i) for a period of twelve years, no cash dividend payable in respect of the shares has been claimed, no cheque or warrant sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled to the shares at his address on the Register or (if different) the last known address given by the member or the person so entitled to which cheques and warrants are to be sent has been paid, each attempt to make a payment in respect of the shares by means of bank transfer or other method for the payment of dividends or other moneys in respect of shares has failed and no communication has been received by the Company from the member or the person so entitled (in his capacity as member or person entitled);

- (ii) in such period of twelve years at least three dividends (whether interim or final) have become payable on the shares;
- (iii) the Company has at the expiration of the said period of twelve years given notice of its intention to sell such shares by sending a notice to the member or other person entitled at the address on the Register or other last known address (and before that have used reasonable effort to trace the member or other person entitled (including a tracing agent or giving notice by advertisement in both a national newspaper and in a newspaper circulating in the area in which the address referred to in the Articles is located)); and
- (iv) during the period of three months following the notice the Company has received no communication in respect of such share from such member or person entitled.

If at any time during or after the period of 12 years further shares have been issued in right of those held at the commencement of that period or of any issued in right during that period and, since the date of issue, the requirements of the Articles have been satisfied in respect of such further shares, the Company may also sell the further shares.

To give effect to such a sale pursuant to the Articles the Board may authorise any person to execute an instrument of transfer or otherwise effect the transfer of the shares to be sold. If the shares concerned are in uncertificated form, in accordance with the CREST Regulations, the Company may issue a written notification to the Operator requiring conversion of the shares into certificated form. The purchaser shall not be bound to see to the application of the purchase moneys and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled to the shares for an amount equal to the net proceeds, which shall be a debt of the Company, and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created and no interest shall be payable in respect of the debt, and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments for the benefit of the Company as the Board may from time to time determine.

6 SHARE OPTION SCHEMES

6.1 Founders Plan

6.1.1 *Summary*

6.1.1.1 The Founders Plan is a value creation plan which is designed to incentivise participants to deliver exceptional returns for shareholders over a five-year period. Under the Founders Plan, participants are eligible to receive 15% of the growth in total shareholder returns of the Company over a five-year period, beginning on 16 March 2021, but provided that total shareholder returns have doubled over that period.

6.1.2 *Eligibility*

6.1.2.1 Any employee (including an executive director) of any member of the Group is eligible to participate in the Founders Plan at the discretion of the Remuneration Committee.

6.1.2.2 In practice, participation in the Founders Plan is limited to those executive directors who have invested their own funds in Ordinary Shares.

6.1.3 *Form of award*

6.1.3.1 Awards granted under the Founders Plan (“**Founders Plan Awards**”) are granted in the form of a conditional right to be granted a nil-cost option

over Ordinary Shares (a “**Nil Cost Option**”) on the basis described in greater detail in ‘*Conversion of Founders Plan Awards into Nil Cost Options*’ below).

6.1.3.2 Founders Plan Awards may be granted by the Remuneration Committee at any time with the period of five years commencing on 16 March 2021 and ending on 15 March 2026 (the “**Plan Period**”), subject to any applicable dealing restrictions. The following conditional Founder Plan Awards were made on 5 August 2022 to the Company’s founders under the Founders Plan (the “**Initial Awards**”) which are expressed below in each case as a % of the Nil Cost Options to be awarded to the founders in aggregate in the event that the threshold conditions for the award of Nil Cost Options is met. The Initial Awards are conditional completion of a material acquisition.

Founder	% Entitlement of Total Allocation
Paul McDade	41.5%
Ian Cloke	31.0%
Anastasia Deulina	27.5%

6.1.3.3 For the avoidance of doubt, when Founders Plan Awards are granted they do not represent a right to receive a specific number of Ordinary Shares (or to receive a Nil-Cost Option over a specific a number of Ordinary Shares) – instead, they represent a future right to be granted a Nil-Cost Option over such number of Ordinary Shares as are worth, as at the relevant ‘Measurement Date’, the individual’s relevant percentage allocation of the ‘Total Allocation’. This is explained in greater detail in paragraph 6.1.4.1 below.

6.1.4 *Conversion of Founders Plan Awards into Nil Cost Options*

6.1.4.1 On each of 16 March 2024, 16 March 2025 and 16 March 2026 (the “**First**”, “**Second**” and “**Third Measurement Dates**” respectively, and each a “**Measurement Date**”), Founders Plan Awards will convert into Nil Cost Options over Ordinary Shares. The number of Ordinary Shares under any Nil Cost Option into which a Founders Plan Awards will convert will be determined by the Remuneration Committee on the following basis:

- **STEP 1:** The Remuneration Committee will calculate the average of the closing middle market quotation of an Ordinary Share over the 30-day period ending immediately prior to the relevant Measurement Date (excluding any days when any dealing restrictions apply) plus dividends paid over the Plan Period to date (the “**Measurement Total Shareholder Return**”).
- **STEP 2:** The Founders Plan Award shall only convert into a Nil Cost Option if the Measurement Total Shareholder Return for the relevant Measurement Date is greater than or equal to the “**Threshold**”. The Threshold is an amount equal to the average closing price of an Ordinary Share over the 30-day period ending immediately before the start of the Plan Period (the “**Initial Price**”), multiplied by:
 - in respect of the First Measurement Date, 25.99% per annum (compounded);
 - in respect of the Second Measurement Date, 18.92% per annum (compounded); and
 - in respect of the Third Measurement Date, 14.87% per annum (compounded);

- **STEP 3:** If the Threshold is met, the Remuneration Committee will determine the overall proportion of the Measurement Total Shareholder Return which is to be delivered to all participants in the Founders Plan (the “**Total Allocation**”) on the following basis:
 - the Initial Price shall be deducted from the Measurement Total Shareholder Return for the relevant Measurement Date (or, in the case of the Second and Third Measurement Dates, the highest previous Measurement Total Shareholder Return which resulted in a conversion of a Founders Plan Award into a Nil Cost Option shall be deducted from the Measurement Total Shareholder Return amount for the relevant Measurement Date); and
 - such amount shall be multiplied by 15%.
- **STEP 4:** Each individual participant’s share of the Total Allocation (as determined in accordance with Step 3) will be determined by multiplying the Total Allocation by that participant’s individual allocation (expressed as a percentage share) of the Total Allocation. Each participant’s individual allocation of the Total Allocation will be determined by the Remuneration Committee when their Founders Plan Award is first granted.
- **STEP 5:** Each participant will be granted a Nil Cost Option over such number of Ordinary Shares as is equal to the value of their share of the Total Allocation.

6.1.4.2 If any Ordinary Shares are issued by the Company in connection with an acquisition, investment or other transaction made by the Group which is funded in whole or in part by the issue of new shares in the capital of the Company, the Grantor may determine that each participant shall be entitled to receive additional Founder Plan Awards in proportion to the number of new Ordinary Shares issued as part of that acquisition, investment or transaction (“**New Equity Awards**”). The Threshold for any New Equity Awards is the price per Ordinary Share at which any new shares were issued as part of the relevant acquisition, investment or transaction.

6.1.5 *Overall limits*

6.1.5.1 No Nil Cost Option may be granted if the number of Ordinary Shares over which all Nil Cost Options have been granted:

- would exceed 10% of the issued ordinary share capital of the Company at that time; and
- when aggregated with any options or awards over Ordinary Shares granted in the preceding 10 year period under any other employees’ share scheme operated by any member of the Group, would cause the number of new Ordinary Shares which are capable of being issued in satisfaction of such options or awards or any Nil Cost Options to exceed 15% of the issued ordinary share capital of the Company from time to time.

6.1.5.2 Any conversion of Founders Plan Awards into Nil Cost Options shall be scaled-back to ensure that the above limits are met.

6.1.5.3 Ordinary Shares transferred from treasury will be treated as newly issued for the purpose of the limit in the second bullet point of paragraph 6.1.5.1 until such time as guidelines published by institutional investor representative bodies determine otherwise.

6.1.6 *Individual limit*

6.1.6.1 No individual participant may be granted a Nil Cost Option over Ordinary Shares where the value of such Ordinary Shares is greater than £25 million, as at the date that the Nil Cost Option is granted. This

individual limit applies cumulatively to all Ordinary Shares granted under Nil Cost Options on any Measurement Date. Nil Cost Options shall be scaled-back to ensure that the individual limit is met.

6.1.7 *Vesting, release and exercise*

6.1.7.1 Nil Cost Options which are granted prior to the Third Measurement Date will vest and become exercisable:

- as to 50% of the total number of Ordinary Shares granted under the Nil Cost Option, immediately on the date on which the Nil Cost Option is granted; and
- as to the remaining 50% of the total number of Ordinary Shares granted under the Nil Cost Option, on the Third Measurement Date.

6.1.7.2 Nil Cost Options which are granted on or after the Third Measurement Date will immediately vest and become exercisable in full.

- Once vested, Nil Cost Options are exercisable at any time up to the tenth anniversary of the date on which the original Founders Plan Award was granted to the relevant participant, subject to any applicable dealing restrictions.
- No payment is required from a participant in order to exercise their Nil Cost Option and receive their Ordinary Shares.

6.1.7.3 The Board may adjust (including by reducing to nil) the extent to which a Nil Cost Option will vest and become exercisable if it considers that the vesting level is not a fair and accurate reflection of business performance, the relevant participant's personal performance or other such factors the Remuneration Committee may consider appropriate.

6.1.7.4 The Remuneration Committee will have discretion to settle Nil Cost Options in whole or in part with a cash payment equal to the value of the Ordinary Shares that would otherwise have been acquired.

6.1.8 *Malus and clawback*

6.1.8.1 At any time before the second anniversary of a Nil Cost Option's vesting date, in the circumstances referred to below, the Remuneration Committee may:

- reduce in whole or in part (including, for the avoidance of doubt, to nil) the number of Ordinary Shares over which a Nil Cost Option may be granted, or the number of Ordinary Shares subject to an existing Nil Cost Option;
- require the participant to return all or some of the Ordinary Shares acquired on exercise of a Nil Cost Option, or an amount equal to the sales proceeds of (or any other benefit of value derived from) any such Ordinary Shares;
- reduce the amount of any future bonus payable to the relevant participant; and/or
- reduce the number of Ordinary Shares under any future option or award to be granted to the relevant participant, or the number of Ordinary Shares under any existing option award already granted to the relevant participant, under any other employees' share scheme operated by any member of the Group (other than any all-employee share plan).

6.1.8.2 The relevant circumstances are:

- the discovery of a material misstatement resulting in an adjustment in the audited accounts of any member of the Group for a period that

was wholly or partly before the end of the period over which Measurement Total Shareholder Return was assessed;

- any action or conduct of a participant which, in the reasonable opinion of the Remuneration Committee, amounts to fraud or gross misconduct; and/or
- discovery of a material failure of risk management of the Company, any member of the Group or a business unit of the Group; and/or
- the Company or any member of the Group or business unit of the Group becoming insolvent or otherwise suffering a corporate failure so that the value of Ordinary Shares is materially reduced, provided that the Remuneration Committee determines that the relevant participant should be held responsible (in whole or in part) for that insolvency or corporate failure.

6.1.9 *Cessation of employment*

6.1.9.1 *Founders Plan Awards:* Ordinarily, Founders Plan Awards which have not yet converted into Nil Cost Options will lapse on termination of the relevant participant's employment.

6.1.9.2 However, if a participant ceases to hold office or employment by reason of death, injury, disability, ill health, redundancy, retirement, or because the participant's employer company ceases to be a member of the Group or the participant is employed in a business which is transferred out of the Group, or for any other reason at the Remuneration Committee's discretion, any Founders Plan Awards that the participant holds will usually continue until the next Measurement Date and convert into a Nil Cost Option. The extent to which the Founders Plan Award will convert into a Nil Cost Option will be determined: (1) in accordance with the principles outlined in "*Conversion of Founders Plan awards into Nil Cost Options*" above; and (2) unless the Remuneration Committee determines otherwise, the proportion of the period from the start of the Plan Period to the Third Measurement Date that has elapsed at the date of cessation. The Remuneration Committee will retain discretion to allow Founders Plan Awards to convert into Nil Cost Options on a later Measurement Date than the Third Measurement Date.

6.1.9.3 Any Founders Plan Award which is granted in the form of an Option will be capable of exercise for a period of 12 months following the relevant vesting date.

6.1.9.4 *Nil Cost Option:* If a participant ceases to hold office or employment after any conversion of their Founders Plan Award into a Nil Cost Option, they shall be entitled to retain such Nil Cost Option and which may be exercised within the period of 6 months following the later of cessation of employment or the relevant vesting date (or, in exceptional circumstances, on any earlier date determined by the Remuneration Committee. If any Nil Cost Option is not exercised at the end of such period it will lapse.

6.1.10 *Corporate events*

6.1.10.1 *Founders Plan Awards:* In the event of a takeover of the Company (whether by way of general offer, compulsory acquisition or scheme or arrangement) or on notice being given of a voluntary winding-up (a "**Corporate Event**"), any Founders Plan Award which has not yet converted into a Nil Cost Option will convert into a Nil Cost Option on the basis that:

- the date of the Corporate Event is the final Measurement Date;
- the value of the consideration offered in connection with the Corporate Event (or the proceeds per Ordinary Share realised on the winding-up) will be used to determine Measurement Total Shareholder Return; and

6.1.13.3 Neither Founders Plan Awards nor Nil Cost Options will not form part of pensionable earnings.

6.1.13.4 Neither Founders Plan Awards nor Nil Cost Options shall entitle a participant to vote or receive dividends until such time as the Nil Cost Option has been exercised and Ordinary Shares have been delivered to the participant in satisfaction of such exercise.

6.2 LTIP

6.2.1 *Summary*

6.2.1.1 The LTIP is a discretionary share plan which is intended to incentivise members of senior management through the grant of options or awards over Ordinary Shares. The vesting of such options or awards and the receipt of Ordinary Shares is subject to the participant's continued employment over a vesting period (ordinarily of three years) and may or may not be subject to the achievement of performance conditions.

6.2.2 *Eligibility*

6.2.2.1 Any employee (including an executive director) of the Company or any member of the Group is eligible to participate in the LTIP at the discretion of the Remuneration Committee. In practice, executive directors who participate in the Founders' Plan will not participate in the LTIP and be granted LTIP awards until such time as their Founders' Plan Awards have either vested or lapsed.

6.2.3 *Form of award*

6.2.3.1 An award under the LTIP may be granted in the form of:

- a conditional right to acquire Ordinary Shares at no cost (a "**Conditional Award**"); or
- an option to acquire Ordinary Shares (an "**Option**"), either for no cost or on payment of an exercise price specified by the Remuneration Committee when the Option is granted.

6.2.3.2 In this paragraph 6.2, Conditional Awards and Options granted under the LTIP are together referred to as "**LTIP Awards**".

6.2.3.3 Any LTIP awards may, at the Remuneration Committee's discretion:

- be subject to one or more conditions related to Company, Group, individual or other performance and which determines the extent to which such LTIP Award shall vest (a "**Performance Share Award**"); or
- be subject only to a continued employment requirement (a "**Restricted Share Award**").

6.2.3.4 Conditional Awards to acquire, in aggregate, 2,554,164 Ordinary Shares have been granted to participants in the LTIP. All such Conditional Awards are conditional upon completion of a material acquisition.

6.2.3.5 See '*Vesting of LTIP Awards*' below for further details.

6.2.4 *Grant of LTIP Awards*

6.2.4.1 Ordinarily, LTIP Awards may only be granted within the six-week period following announcement of the Company's results for any period (or, if any dealing restrictions would prevent the grant of an LTIP Award within such six-week period, on the dealing day immediately following the lifting of such dealing restrictions). However, the Board may grant LTIP Awards at other times in exceptional circumstances.

6.2.5 *Overall limits*

6.2.5.1 In any ten year period, the number of new Ordinary Shares which may be issued to satisfy LTIP Awards (when aggregated with the number of

Ordinary Shares issued in connection with the satisfaction of options or awards granted under any other employees' share plan adopted by the Company or any member of the Group) may not exceed 15% of the issued ordinary share capital of the Company from time to time.

6.2.5.2 Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

6.2.6 *Individual limit*

6.2.6.1 The LTIP provides that a participant may not be granted an LTIP Award in respect of a financial year of the Company over Ordinary Shares with a market value in excess of:

- in the case of a Performance Share Award, 100% of their base salary; or
- in the case of a Restricted Share Award, 50% of their base salary.

6.2.7 *Vesting of LTIP Awards*

6.2.7.1 LTIP Awards which are granted as Performance Share Awards will be subject to the satisfaction of one or more performance conditions which will determine the proportion (if any) of the LTIP Award which will vest at the end of a performance period. Performance Share Awards are ordinarily granted subject to performance conditions requiring the price of an Ordinary Share to have increased by 15% over the relevant three-year performance period for a minimum threshold of vesting of LTIP Awards, increasing to full vesting in the event the price of an Ordinary Share has doubled over the relevant three-year performance period.

6.2.7.2 LTIP Awards which are granted as Restricted Share Awards are not subject to performance conditions which determine the extent to which such LTIP Awards vest. However, the Remuneration Committee may specify one or more underpin conditions which require a minimum threshold of performance to be met in order the LTIP Award to vest.

6.2.7.3 A performance condition or an underpin condition may be amended or substituted by the Remuneration Committee if an event has occurred which causes the Remuneration Committee to consider that it would reasonably be appropriate to amend the performance or underpin condition (as applicable), the amended performance / underpin condition is not materially less difficult to satisfy than the unaltered performance / underpin condition would have been but for the event in question.

6.2.8 *Vesting, release and exercise*

6.2.8.1 Performance Share Awards will normally vest as soon as practicable following the end of the performance period and to the extent that the performance condition has been satisfied. Restricted Share Awards will vest on a date determined by the Remuneration Committee (which shall ordinarily be no earlier than the third anniversary of the date of grant), subject to the Remuneration Committee's assessment that any underpin condition has been met.

6.2.8.2 Once vested, Conditional Awards are immediately released and Ordinary Shares are delivered to the relevant participant, subject to any applicable dealing restrictions.

6.2.8.3 Once vested, Options are exercisable by the relevant participant at any time up to the tenth anniversary of the grant date and on payment of the associated exercise price (if any), subject to any applicable dealing restrictions.

6.2.8.4 The Board will have discretion to settle LTIP Awards in whole or part with a cash payment equal to the value of the Ordinary Shares that would otherwise have been acquired.

6.2.9 *Malus and clawback*

6.2.9.1 At any time before the second anniversary of a Nil Cost Option's vesting date, in the circumstances referred to below, the Remuneration Committee may:

- reduce in whole or in part (including, for the avoidance of doubt, to nil) the number of Ordinary Shares under any LTIP Award (including any vested but unexercised Option);
- require the participant to return all or some of the Ordinary Shares acquired by the participant in connection with an LTIP Award, or an amount equal to the sales proceeds of (or benefit or value derived from) any such Ordinary Shares;
- reduce the amount of any future bonus payable to the relevant participant; and/or
- reduce the number of Ordinary Shares under any future option or award to be granted to the relevant participant, or the number of Ordinary Shares under any existing option award already granted to the relevant participant, under the LTIP or any other employees' share scheme operated by any member of the Group (other than any all-employee share plan).

6.2.9.2 The relevant circumstances are:

- any action or conduct of a participant which, in the reasonable opinion of the Remuneration Committee, amounts to fraud or gross misconduct; and/or
- the discovery of a material misstatement resulting in an adjustment in the Company's financial results for any period that results in an LTIP Award being granted or having vested to a greater extent than would have otherwise been the case;
- discovery of a material failure of risk management of the Company, any member of the Group or a business unit of the Group; and/or
- the Company or any member of the Group or business unit of the Group becoming insolvent or otherwise suffering a corporate failure so that the value of Ordinary Shares is materially reduced, provided that the Remuneration Committee determines that the relevant participant should be held responsible (in whole or in part) for that insolvency or corporate failure.

6.2.9.3 If the Remuneration Committee concludes that there may be circumstances existing which may lead to any malus or clawback provision being applied, it may delay the vesting of an LTIP Award for up to 12 months while the position is investigated.

6.2.10 *Cessation of employment*

6.2.10.1 Ordinarily, unvested LTIP Awards will lapse on termination of the relevant participant's employment.

6.2.10.2 However, if a participant ceases to hold office or employment by reason of injury, disability, ill health, redundancy, retirement, or because the participant's employer company ceases to be a member of the Group or the participant is employed in a business which is transferred out of the Group, or for any other reason at the Remuneration Committee's discretion, any unvested LTIP Awards that the participant holds will usually continue and vest at the originally envisaged vesting date. The extent to

which the LTIP Award vests will be determined taking into account: (1) the extent to which the applicable performance or underpin conditions (if any) are satisfied, as determined by the Remuneration Committee; and (2) unless the Remuneration Committee determines otherwise, the proportion of the vesting period that has elapsed at the date of cessation. The Remuneration Committee will retain discretion in exceptional circumstances to vest and release the LTIP Award at the date of cessation, and to assess any performance condition accordingly.

6.2.10.3 If a participant dies, any unvested LTIP Award the participant holds will vest as soon as reasonably practicable, with the level of vesting determined on the same basis as noted above.

6.2.10.4 Any LTIP Award which is granted in the form of an Option will be capable of exercise for a period of 12 months following the relevant vesting date.

6.2.11 *Dividends*

6.2.11.1 The Company may provide cash or additional Ordinary Shares to a participant based on the value of dividends paid on vested Ordinary Shares over a period ending no later than the date on which the LTIP Award is released. The Remuneration Committee shall determine the basis on which this amount is calculated which may assume the reinvestment of the dividends into Ordinary Shares.

6.2.12 *Corporate events*

6.2.12.1 Following a Corporate Event, LTIP Awards will vest and (in the case of Options) become exercisable at the date of (or, at the Remuneration Committee's discretion, in anticipation of) such event.

6.2.12.2 The extent to which an unvested LTIP Award will vest in connection with a Corporate Event will be determined taking into account: (1) the extent to which the applicable performance or underpin conditions (if any) are satisfied, as determined by the Remuneration Committee; and (2) unless the Remuneration Committee determines otherwise, the proportion of the vesting / performance period that has elapsed.

6.2.12.3 Alternatively, the Board may permit Awards to be exchanged for awards over shares in the acquiring company (and, ordinarily, will require this if the change of control is an internal reorganisation).

6.2.12.4 If other events occur such as a demerger, delisting, special dividend or other similar event, the Board may determine that LTIP Awards will vest and become exercisable on such terms as the Remuneration Committee considers appropriate.

6.2.13 *Adjustment*

6.2.13.1 In the event of any variation of the Company's share capital (including a rights issue) or a demerger, special dividend, or other similar event, the number of Ordinary Shares subject to an LTIP Award may be adjusted. Any adjustment to the number of Shares subject to an LTIP Award will be determined on such basis as the Remuneration Committee considers appropriate.

6.2.14 *Amendment*

6.2.14.1 The Remuneration Committee may amend the LTIP at any time, provided that no amendment to the material disadvantage of existing rights of participants may be made unless every participant who may be affected by such amendment has been invited to indicate whether or not they approve the amendment and the amendment is approved by a majority of participants who have so indicated.

6.2.15 *General*

6.2.15.1 LTIP Awards are not transferable (other than on death).

6.2.15.2 No payment will be required for the grant of an LTIP Award.

6.2.15.3 LTIP Awards will not form part of pensionable earnings.

6.2.15.4 LTIP Awards shall not entitle a participant to vote or receive dividends until such time as the LTIP Award has been released and Ordinary Shares have been delivered to the participant in satisfaction of the LTIP Award (although “dividend equivalents” may be provided in respect of Awards as described under the paragraph headed “Dividends” above).

7 DIRECTORS' AND OTHER INTERESTS

7.1 The Directors of the Company and their respective functions are set out in Part 1 of this document.

7.2 Details of any directorship that is or was in the last five years held by each of the Directors, and any partnership of which each of the Directors is or was in the last five years a member, in addition to their directorship of the Company, are set out below:-

Name	Current directorships and partnerships	Previous directorships and partnerships
Paul McDade	Afentra (UK) Ltd Afentra (Angola) Ltd Afentra North West Africa Holdings Limited Afentra Holdings Limited Afentra (East Africa) Limited Afentra Overseas Limited African Insights Limited	Eagle Drill Limited Planet Oil International Limited Tullow (EA) Holdings Limited Tullow Argentina Limited Tullow Comoros Limited Tullow Congo Limited Tullow Côte D'Ivoire Limited Tullow Cote D'ivoire Exploration Limited Tullow Côte D'Ivoire Onshore Limited Tullow EG Exploration Limited Tullow Equatorial Guinea Limited Tullow Ethiopia B.V. Tullow Gabon Holdings Limited Tullow Gabon Limited Tullow Gambia Limited Tullow Ghana Limited Tullow Greenland Exploration Limited Tullow Group Services Limited Tullow Guyana B.V. Tullow Jamaica Limited Tullow Kenya B.V. Tullow Madagascar Limited Tullow Mauritania Limited Tullow Mexico B.V. Tullow Mozambique Limited Tullow Namibia Limited Tullow New Ventures Limited Tullow Oil (Jersey) Limited Tullow Oil (Mauritania) Limited Tullow Oil 100 Limited Tullow Oil 101 Limited Tullow Oil Canada Limited Tullow Oil Finance Limited Tullow Oil Holdings (Guernsey) Limited Tullow Oil Plc Tullow Oil SK Limited

Name	Current directorships and partnerships	Previous directorships and partnerships
		Tullow Oil SNS Limited Tullow Oil SPE Limited Tullow Senegal Exploration Limited Tullow Senegal Limited Tullow Tanzania B.V. Tullow Uruguay Limited Tullow Zambia B.V.
Ian Richard Cloke	Navara Energy Ltd Afentra (Angola) Ltd	n/a
Anastasia Deulina	Afentra (Angola) Ltd 45 Chiswick Lane Limited Ruby Murex Ltd 7 Montagu Square Limited	n/a
Jeffrey Saunders MacDonald	Hostel 512 LLC Caledonia Properties LLC The Vine Charity USA	Hansa Profit Interest LLP Caledonia Properties II, LLC The Tasty Spoon LLC KrisEnergy Ltd Hansa Hydrocarbons Limited
Gavin Hugh Lothian Wilson	Waterwheel Investments S.A. iMbokodo Exploration and Production Tag Oil Ltd PetroTal Corp	n/a
Thierry André Nicolas Yao Tanoh	Azalai Hotel Group Azalai SMS Maha Capital Partners LLC Mercy Corps Caisse Regionale de Refinancement Hypothecaire de l'UEMOA	n/a

7.3 Gavin Wilson was a director of Buccaneer Energy Limited, an ASX listed company, from 2013 to 2014. The company and its US subsidiaries filed voluntary petitions for reorganisation under Chapter 11 of the US Bankruptcy Code in 2014. As part of the Chapter 11 proceedings, Buccaneer Energy reached an agreement with its secured lender resulting in the sale of substantially all of its assets which enabled it to satisfy outstanding claims to its secured lender, other secured creditors and its unsecured creditors. Gavin resigned after the company was wound up following the conclusion of these insolvency proceedings.

7.4 Save as disclosed in this document, none of the Directors:-

7.4.1 is currently a director of a company or a partner in a partnership or has been a director of a company or a partner in a partnership within the five years immediately preceding the date of this document;

7.4.2 has any unspent convictions in relation to indictable offences;

7.4.3 has been declared bankrupt or has entered into an individual voluntary arrangement;

7.4.4 was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned;

7.4.5 was a partner in a partnership at the time of or within the 12 months preceding any compulsory liquidation, administration or voluntary arrangement of that partnership;

- 7.4.6 has had any asset which has been subject to a receivership or was a partner in a partnership at the time of or within the 12 months preceding any asset of the partnership being subject to a receivership; or
- 7.4.7 has been the subject of any public criticism by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.
- 7.5 The interests of the Directors and their immediate families, all of which are beneficial (unless otherwise stated), and of connected persons within the meaning of section 252 of the Act, in the issued share capital of the Company as at the date of this document and as they are expected to be on Admission, together with the percentages which such interests represent of the Ordinary Shares in issue are as follows:-

	At the date of this document		On Admission	
	Number of issued Ordinary Shares held	Percentage of issued Ordinary Share Capital	Number of issued Ordinary Shares	Percentage of issued Ordinary Share Capital
Paul McDade	3,088,192	1.40%	3,088,192	1.40%
Ian Cloke ⁽¹⁾	2,128,009	0.97%	2,128,009	0.97%
Anastasia Deulina	1,048,072	0.48%	1,048,072	0.48%
Gavin Wilson ⁽²⁾	2,981,666	1.35%	2,981,666	1.35%
Jeffrey MacDonald	Nil	Nil	Nil	Nil
Thierry Tanoh	Nil	Nil	Nil	Nil

(1) The shareholding for Ian Cloke includes 175,972 Ordinary Shares which are beneficially owned by Elizabeth Bingham, Ian Cloke's wife, who is a connected person within the meaning of section 252 of the Act.

(2) The shareholding for Gavin Wilson includes 2,566,666 Ordinary Shares which are beneficially owned by his daughter who is a connected person within the meaning of section 252 of the Act.

- 7.6 In addition to the interests of the Directors set out in paragraph 7.5 above, as at the date of this document, insofar as is known to the Company, each of the following persons will as at the date of this document and immediately following Admission hold more than 3% of voting rights as a shareholder through his direct or indirect holding of financial instruments:-

	At the date of this document		On Admission	
	Number of issued Ordinary Shares held	Percentage of issued Ordinary Share Capital	Number of issued Ordinary Shares	Percentage of issued Ordinary Share Capital
Askar Alshinbayev	48,104,784	21.86%	48,104,784	21.86%
Denis O'Brien	15,750,000	7.16%	15,750,000	7.16%
Kite Lake Capital Management (UK) LLP	13,500,000	6.13%	13,500,000	6.13%
Athos Capital Limited	6,887,073	3.13%	6,887,073	3.13%

- 7.7 Save as set out in paragraph 6.1 of this Part 7, no options over Ordinary Shares have been granted to the Directors.
- 7.8 Save as disclosed above, none of the Directors nor any person connected with the Directors (within the meaning of section 252 of the Act) holds or is beneficially or non-beneficially interested, directly or indirectly, in any share capital or loan capital of the Company or any of its subsidiary undertakings, or in any options to subscribe for or securities convertible into shares of the Company or any of its subsidiary undertakings.
- 7.9 Save as disclosed in this document, no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group during the current or immediately preceding financial year and which was effected by the Group and remains in any respect outstanding or unperformed.

- 7.10 There are no loans made or guarantees granted or provided by the Company or the Group to or for the benefit of any Director which are outstanding.
- 7.11 There are no arrangements known to the Company, the operation of which may at a subsequent date result in a change of control of the Company.
- 7.12 Neither the Directors nor any major Shareholders have different voting rights to the other Shareholders.
- 7.13 None of the Directors or members of their family has a financial product whose value in whole or in part is determined directly or indirectly by reference to the price of the Ordinary Shares.

8 DIRECTORS' REMUNERATION AND SERVICE AGREEMENTS

8.1 The Directors have entered into service contracts or consultancy agreements which are summarised below. Save for these agreements there are no service agreements between any Director and the Company or any of the subsidiaries not determinable without payment of compensation (other than statutory compensation) within one year and none are proposed to be entered into.

8.1.1 Paul McDade

8.1.1.1 On 1 November 2021, Paul entered into a service agreement with the Company for his employment as Chief Executive Officer at an annual salary of £350,000 (salary subject to annual review). The appointment commenced on 1 March 2021. As at the date of this document, Paul's current remuneration including salary, pension entitlements and additional benefits is in aggregate, £406,736 per annum.

8.1.1.2 This agreement is terminable on one year's notice by either party and contains confidentiality obligations and restrictive covenants relating to competition and key employees. The Company will maintain medical expenses and permanent health insurance and will make pension payments.

8.1.1.3 Paul is eligible for an annual discretionary bonus and is entitled to participate in the founders' incentive plan.

8.1.1.4 Paul is entitled to receive a fixed amount of compensation in the event his appointment is terminated within three months of the Company undergoing a change of control.

8.1.2 Ian Richard Cloke

8.1.2.1 On 1 November 2021, Ian entered into a service agreement with the Company for his employment as Chief Operating Officer at an annual salary of £285,000 (salary subject to annual review). The appointment commenced on 1 March 2021. As at the date of this document, Ian's current remuneration including salary, pension entitlements and additional benefits is in aggregate, £332,407 per annum.

8.1.2.2 The agreement is terminable on one year's notice by either party and contains confidentiality obligations and restrictive covenants relating to competition and key employees. The Company will maintain medical expenses and permanent health insurance and will make pension payments.

8.1.2.3 Ian is eligible for an annual discretionary bonus and is entitled to participate in the founders' incentive plan.

8.1.2.4 Ian is entitled to receive a fixed amount of compensation in the event his appointment is terminated within three months of the Company undergoing a change of control.

8.1.3 **Anastasia Deulina**

- 8.1.3.1 On 1 November 2021, Anastasia entered into a service agreement with the Company for her employment as Chief Financial Officer at an annual salary of £285,000 (salary subject to annual review). The appointment commenced on 1 May 2021. As at the date of this document, Anastasia's current remuneration including salary, pension entitlements and additional benefits is in aggregate, £331,211 per annum.
- 8.1.3.2 The agreement is terminable on six months' notice by either party and contains confidentiality obligations and restrictive covenants relating to competition and key employees. The Company will maintain medical expenses and permanent health insurance and will make pension payments.
- 8.1.3.3 Anastasia is eligible for an annual discretionary bonus and is entitled to participate in the founders' incentive plan.
- 8.1.3.4 Anastasia is entitled to receive a fixed amount of compensation in the event her appointment is terminated within three months of the Company undergoing a change of control.

8.1.4 **Gavin Hugh Lothian Wilson**

- 8.1.4.1 Gavin is a non-executive director of the Company. Gavin entered into a non-executive appointment agreement, which commenced on 30 March 2021. The annual fee is £45,000. Gavin is required to submit monthly VAT invoices. Gavin is responsible for payment of tax, national insurance, VAT and other contributions required by law. Gavin is expected to attend annual and extraordinary general meetings of the Company and all full Board meetings. In addition, Gavin is also required to act as Chair of the Remuneration Committee and serve as a member of the Nominations Committee. Gavin is subject to confidentiality undertakings.
- 8.1.4.2 Both the Company and Gavin must give three months' notice in order to terminate the appointment. However, the appointment may be terminated by the Company without notice or payment in lieu of notice if terminated in accordance with the Company's Articles or if Gavin is not re-elected by the Company's shareholders.

8.1.5 **Jeffrey Saunders MacDonald**

- 8.1.5.1 Jeffrey is a non-executive director and Independent Non-Executive Chair of the Company. Jeffrey entered into a non-executive appointment agreement, which commenced on 30 March 2021. The annual fee is £96,000 and is payable in equal monthly instalments through PAYE after deduction of income tax and national insurance contributions. Jeffrey is expected to attend annual and extraordinary general meetings of the Company and all full Board meetings. In addition, Jeffrey is also required to act as Chair of the Nominations Committee and serve as a member of the Remuneration Committee and serve on other committees as requested. Jeffrey is subject to confidentiality undertakings.
- 8.1.5.2 Both the Company and Jeffrey must give three months' notice in order to terminate the appointment. However, the appointment may be terminated by the Company without notice or payment in lieu of notice if terminated in accordance with the Company's Articles or if Jeffrey is not re-elected by the Company's shareholders.

8.1.6 **Thierry Tanoh**

- 8.1.6.1 Thierry is a non-executive director of the Company. Thierry entered into a non-executive appointment agreement, which commenced on 13 June 2023. The annual fee is £52,500 and is payable in equal monthly instalments through PAYE after deduction of income tax and national insurance contributions. Thierry is expected to attend annual and

extraordinary general meetings of the Company and all full Board meetings. In addition, Thierry is also required to act as Chair of the Audit Committee and serve as a member of the Remuneration Committee. Thierry is subject to confidentiality undertakings.

8.1.6.2 Both the Company and Thierry must give three months' notice in order to terminate the appointment. However, the appointment may be terminated by the Company without notice or payment in lieu of notice if terminated in accordance with the Company's Articles or if Thierry is not re-elected by the Company's shareholders.

8.2 The aggregate remuneration including benefits in kind paid to the Directors for the 12 months ended 31 December 2022 was £2,094,522. The estimated aggregate remuneration, including benefits in kind, to be paid to the Directors in the 12 months ending 31 December 2023 is £2,304,208; this estimate is based on the contractual arrangements currently in place with each Director.

9 WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Group, taking into account the Acquisition Facility and the Working Capital Facility, will be sufficient for its present requirements and for at least 12 months from the date of Admission.

10 MATERIAL CONTRACTS

In addition to the Admission Agreement, details of which are set out below, the following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company or the Group during the two years immediately preceding the date of this document and are or may be material:-

10.1 Admission Agreements

10.6.1 2023 Admission Agreement

Pursuant to the 2023 Admission Agreement Peel Hunt has conditionally agreed, on and subject to the terms set out therein, to act as nominated adviser and broker to the Company in connection with, and to submit, the application for Admission. The obligations of Peel Hunt under the agreement are conditional, *inter alia*, upon the passing of the Resolutions.

The Company will pay Peel Hunt a fee together with all costs and expenses and VAT thereon in relation to the provision of services under the agreement and all expenses of and incidental to the application for Admission, including the fees and costs of other professional advisers, all costs relating to the application for Admission, including printing, advertising and distribution charges, and the fees payable to the London Stock Exchange.

The Company and the Directors have given certain warranties in favour of Peel Hunt. Peel Hunt may terminate the agreement in specified circumstances prior to Admission, principally in the event of a material non-compliance with the Admission Agreement or the Acquisition Agreements or any of the warranties contained in the Admission Agreement becoming untrue, incorrect or misleading in any material respect. The Company has also provided certain customary indemnities.

10.6.2 2022 Admission Agreement

Pursuant to an Admission Agreement dated 10 August 2022 among the Company, the Directors (at that time) and Peel Hunt (the "**2022 Admission Agreement**"), conditionally agreed, on and subject to the terms set out therein, to act as nominated adviser and broker to the Company in connection with, and to submit, the application for re-admission of the Ordinary Shares of the Group as enlarged upon completion of the original Sonangol Acquisitions and the INA Acquisitions. The obligations of Peel Hunt under the agreement were conditional, *inter alia*, upon the passing of the resolutions set out in the Admission Document published on 10 August 2022.

The Company paid Peel Hunt a fee together with all costs and expenses and VAT thereon in relation to the provision of services under the agreement and all expenses of and incidental to the application for re-admission, including the fees and costs of other professional advisers, all costs relating to the application for re-admission, including printing, advertising and distribution charges, and the fees payable to the London Stock Exchange.

The Company and the Directors at that time gave certain warranties in favour of Peel Hunt. Peel Hunt could terminate the agreement in specified circumstances prior to re-admission, principally in the event of a material non-compliance with the terms of the 2022 Admission Agreement or the relevant Acquisition Agreements or any of the warranties contained therein becoming untrue, incorrect or misleading in any material respect. The Company also provided certain customary indemnities.

10.2 Nomad and Broker Agreement

Pursuant to the Nomad and Broker Agreement, the Company has appointed Peel Hunt to continue to act as nominated adviser and joint broker to the Company. The agreement may be terminated by either party giving not less than 30 days' notice, such notice not to end prior to the date falling one year from the commencement of the agreement.

10.3 Registrars Agreement

Pursuant to the Registrars Agreement, the Company has appointed the Registrars to continue to act as registrars to the Company. The agreement was for an initial period of 12 months and automatically renews for successive periods of 12 months, unless terminated by the Company or the Registrars. The appointment is subject to termination, *inter alia*, by either the Company or Registrars giving not less than three months' prior written notice. The Company agreed to pay the Registrars an annual fee for their services as registrar, together with disbursements and out of pocket expenses.

10.4 Lock-in Agreements

Please refer to the summary of the principal terms of the Lock-in Agreements in paragraph 18 of Part 1 of this document.

10.5 Amended Sonangol Acquisition Agreement

Please refer to the summary of the terms of the principal terms of Sonangol Acquisition Agreement in paragraph 3 of Part 1 of this document.

10.6 INA Acquisition Agreement

Pursuant to the INA Acquisition Agreement, Afentra Angola agreed to acquire the INA Block 3/05 Interest and the INA Block 3/5A Interest. The initial consideration for the INA Acquisitions was entirely funded by cash on the balance sheet and the Acquisition Facility, with a component of the initial consideration being funded from the net cash flows from the INA Block 3/05 Interest from the effective date of the INA Acquisitions (30 September 2021) to INA Completion. The remaining portion of the total consideration is contingent and is expected to be funded from net cash flows from the INA Block 3/05 Interest and the Block 3/05A Interest after INA Completion. The consideration for the INA Acquisitions is made up of the following elements:

- An initial cash consideration paid at the date of INA Completion of US\$9 million in respect of the INA Block 3/05 Acquisition and US\$3 million in respect of the Block 3/05A Acquisition. The INA Acquisition was structured, however, such that Afentra Angola was entitled to any net cash flows from the INA Block 3/05 Interest during the interim period between the effective date of the INA Acquisitions (30 September 2021) and the date of INA Completion. At INA Completion, total initial consideration of \$16.8 million was paid, including a \$4.8 million net working capital and interest adjustment.
- Contingent consideration of US\$10 million was payable in respect of the INA Block 3/05 Acquisition upon the date of publication in the Diário da República of a ministerial or presidential statute, or executive decree, approving the extension to the Block 3/05 PSA and was paid on 19 May 2023.

- Contingent consideration of up to US\$6 million is payable to INA over a three-year period, which commenced on 1 January 2022 and ending on 31 December 2024 in respect of the INA Block 3/05 Acquisition. At the end of each year in such period, if the Daily Average Brent Price (as defined in the INA Acquisition Agreement) for that year exceeds US\$65/bbl, Afentra Angola will be required to pay INA an amount equal to:

(Production in such year from the INA Block 3/05 Interest multiplied by (Daily Average Brent Price in that year – US\$65/bbl)) multiplied by 30%,

subject to a maximum contingent consideration payment of US\$2 million in any such year in respect of the INA Block 3/05.

If the Daily Average Brent Price for that year does not exceed US\$65/bbl, no contingent consideration will be payable in that year in respect of the INA Block 3/05 Interest.

The Directors anticipate that any contingent consideration that becomes payable will be capable of being satisfied out of net cash flows from the INA Block 3/05 Interest. US\$2 million of this contingent consideration in respect of the year ended 31 December 2022 crystallised and was paid to INA at INA Completion.

Contingent consideration of US\$2.5 million is payable to INA in respect of the Block 3/05A Acquisition if:

- oil production from the Caco-Gazela Development Area has commenced within five years of INA Completion;
- more than 1,500,000 boe has been produced from the Caco-Gazela Development Area within the first two years of production from the Caco-Gazela Development Area; and
- The Daily Average Brent Price for the 12 months preceding the date on which 1,500,000 boe has been produced from the Caco-Gazela Development Area exceeds US\$65/bbl.

Contingent consideration of US\$2.5 million is payable to INA in respect of the Block 3/05A Acquisition if:

- oil production from the Punja Development Area has commenced within five years of INA Completion;
- more than 1,000,000 boe has been produced from the Punja Development Area within the first two years of production from the Punja Development Area; and
- The Daily Average Brent Price for the 12 months preceding the date on which 1,000,000 boe has been produced from the Punja Development Area exceeds US\$65/bbl.

INA Completion was announced on 10 May 2023.

The INA Acquisition Agreement also contains customary warranties for a transaction of this nature in relation to the INA Assets from INA.

10.7 **INA Escrow Agreement**

Pursuant to the INA Acquisition Agreement, Afentra Angola entered into an escrow agreement (the “**INA Escrow Agreement**”) with INA (as escrow counterparty) and Citibank, N.A., London Branch (the “**INA Escrow Agent**”).

On the date of execution of the INA Escrow Agreement, the Company paid a deposit of US\$2.2 million into an escrow account. On the INA Completion, the Company deposited a further US\$10 million into the escrow account pending the grant of an extension to the Block 3/05 PSA which sum was released to INA on 19 May 2023 following the extension of the Block 3/05 PSA.

The Escrow Agent’s fees under the INA Escrow Agreement were for Afentra Angola’s account.

10.8 **INA Guarantee**

Pursuant to the INA Acquisition Agreement, the Company (as parent company of Afentra Angola) has entered into a deed of guarantee and indemnity (the "INA Guarantee") in favour of INA. The Company assumes the role of primary obligor, guaranteeing the due and punctual payment by Afentra Angola of all amounts which Afentra Angola shall become obliged to pay to INA under the INA Acquisition Agreement. The Company also guarantees the performance of Afentra Angola's, covenants, stipulations and obligations under the INA Acquisition Agreement.

Pursuant to the INA Guarantee, the Company undertakes to indemnify INA against all damages, actions, losses, costs and expenses arising from any failure of Afentra Angola to carry out any obligation or liability by reason of it not being or ceasing to be valid or enforceable. The Company's liability under the indemnity is limited to a maximum level determined by the amount that INA would have been able entitled to recover from the Buyer were it not for the cessation of validity or enforceability of the relevant guaranteed obligation.

The Company also agrees to indemnify, defend and hold harmless INA on demand in respect of all losses, actions, claims, costs, charges, expenses and liabilities incurred or sustained by INA in any enforcement of the INA Guarantee, or arising from a breach of the INA Guarantee by the Company.

The INA Guarantee is governed by English law, and any dispute arising from the INA Guarantee shall be resolved by way of arbitration in London under the London Court of International Arbitration Rules.

10.9 **Acquisition Facility Agreement**

Please refer to the summary of the principal terms of the Acquisition Facility Agreement in paragraph 5 of Part 1 of this document.

10.10 **Working Capital Facility Agreement**

Please refer to the summary of the principal terms of the Working Capital Facility Agreement in paragraph 6 of Part 1 of this document.

10.11 **Trafigura Offtake Agreement**

Please refer to the summary of the principal terms of the Trafigura Offtake Agreement in paragraph 7 of Part 1 of this document.

10.12 **Azule Acquisition Agreement**

Please refer to the summary of the principal terms of the Azule Acquisition Agreement in paragraph 4 of Part 1 of this document.

10.13 **Azule Escrow Agreement**

Please refer to the summary of the principal terms of the Azule Escrow Agreement in paragraph 4 of Part 1 of this document.

10.14 **Azule Guarantee**

Please refer to the summary of the principal terms of the Azule Guarantee in paragraph 4 of Part 1 of this document.

10.15 **Block 3/05 JOA**

On 31 October 2005, Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA entered into the Block 3/05 JOA which sets the rights and obligations of the parties with regard to operations under Block 3/05 PSA, including the joint appraisal, development, production and disposition of Petroleum from Block 3/05. The Block 3/05 JOA is governed by English law.

The Block 3/05 JOA provides for the establishment of a contractor committee to supervise all joint operations, with one representative from each party appointed to said contractor committee, and up to two alternates. Further subcommittees, including technical, may also be formed to advise the contractor committee. The voting rights of each representative shall be commensurate with the percentage of participating interest held by the relevant appointing

party. Decisions of the contractor committee require the approval of three or more parties together holding not less than a 65% participating interest in the Block 3/05 PSA.

In the event of default by one of the parties, the defaulting party will have a period of 60 days from receipt of the default notice to remedy the default. If the default has not been remedied within this 60-day period, each non-defaulting party shall have the option to require that the defaulting party completely withdraws from the Block 3/05 JOA and the Block 3/05 PSA.

The transfer of interest provision of the Block 3/05 JOA provides that if any party to the Block 3/05 JOA intends to transfer all or part of its participating interest it must first notify the other parties to the Block 3/05 JOA of its intention and invite them to submit offers therefor. The recipient parties have 30 days from the date of such notification to deliver a counter-notification with a binding offer. If the offer is not accepted, or if 60 days elapse and it is evident to the prospective transferor that a fully negotiated agreement with an offering party is not imminent, the prospecting transferor may proceed with the sale to a third party, as long as the terms and conditions of the transfer to a third party are not more favourable than those offered by any party.

The Block 3/05 JOA includes a withdrawal provision which allows any party to withdraw from the Block 3/05 PSA subject to providing at least 60 days written notice to the non-withdrawing parties, but the proposed effective date of withdrawal may not exceed 180 days after the date of such written notice. The withdrawing party shall assign its participation interest in proportion to the participation interest held by each non-withdrawing party (prior to withdrawal). The withdrawing party will remain liable for its share of any expenditures budgeted and/or approved before the date of the notice of withdrawal, even if the work is completed later.

All operations under the Block 3/05 JOA must be conducted either as joint operations or exclusive operations under Article 9 of Block 3/05 JOA. Joint operations include the operations carried out by the operator, the costs of which are to be shared between all Parties in accordance with the accounting procedure and their respective participating interests. Only development and/or declaration of a commercial discovery may be proposed or conducted as an exclusive operation. The consenting parties to an exclusive operation shall bear, in accordance with the participating interests agreed for the exclusive operation, the entire cost and liability of conducting an exclusive operation. The operator shall be entitled to request cash advances and shall not be required to use its own funds to pay any cost and expense. The accounting procedure shall apply to the operator in respect of any exclusive operations.

The operator must subscribe and maintain the insurance coverage specified by the Block 3/05 JOA and the Block 3/05 PSA. Insurance applicable to joint operations shall be paid out of the joint account.

10.16 Block 3/05A JOA

On 28 March 2006, Sonangol, China Sonangol, Angola Japan, Azule, Etu Energias, NIS and INA entered into a JOA which sets the rights and obligations of the parties with regard to operations under the Block 3/05A PSA, including the joint exploration, appraisal, development, production and disposition of Petroleum from Block 3/05A. The Block 3/05A JOA is governed by English law.

The Block 3/05A JOA provides for the establishment of a contractor committee to supervise all joint operations, with one representative from each party appointed to said contractor committee and up to two alternates. Further subcommittees, including technical and financial, may also be formed to advise the contractor committee. The voting rights of each representative shall be commensurate with the percentage of participating interest held by the relevant appointing party. Decisions of the contractor committee require the approval of three or more parties together holding not less than a 65% participating interest in the Block 3/05A PSA.

In the event of default by one of the parties, the defaulting party will have a period of 60 days from receipt of the default notice to remedy the default. If the default has not been remedied within this 60-day day period, each non-defaulting party shall have the option to

require that the defaulting party completely withdraws from the Block 3/05A JOA and the Block 3/05A PSA.

The transfer of interest provision of the Block 3/05A JOA provides that if any party to the Block 3/05A JOA intends to transfer all or part of its participating interest it must first notify the other parties to the Block 3/05A JOA of its intention and invite them to submit offers therefor. The recipient parties have 30 days from the date of such notification to deliver a counter-notification with a binding offer. If the offer is not accepted, or if 60 days elapse and it is evident to the prospective transferor that a fully negotiated agreement with an offering party is not imminent, the prospecting transferor may proceed with the sale to a third party, as long as terms and conditions of the transfer to a third party are not more favourable than those offered by any other party.

The Block 3/05A JOA includes a withdrawal provision which allows any party to withdraw from the Block 3/05A PSA subject to providing at least 60 days written notice to the non-withdrawing parties, but the proposed effective date of withdrawal may not exceed 180 days after the date of such written notice. The withdrawing party shall assign its participation interest in proportion to the participation interest held by each non-withdrawing party (prior to withdrawal). The withdrawing party will remain liable for its share of the participation percentage of any expenditures budgeted and/or approved before the date of the notice of withdrawal, even if the work is completed later.

All operations under the Block 3/05A JOA must be conducted either as joint operations or exclusive risk operations under Article 9 of Block 3/05A JOA. Joint operations include the operations carried out by the operator, the costs of which are to be shared between all Parties. Notwithstanding this general rule, Sonangol's 25% share of the exploration expenditure (including administration and services expenditures in accordance with the accounting and financial procedure annexed to the Block 3/05A PSA) shall be paid by the following members of the contractor group according to the following proportions (as Etu Energias does not participate in the carry of Sonangol's exploration expenditure): China Sonangol – 38.461%; Angola Japan (following the novation, Maurel) – 30.769%; Azule – 18.461%; NIS – 6.153%; and Afentra Angola – 6.153%. Only the following types of operation may be proposed or conducted as an exclusive operation: (i) drilling and/or testing of exploration wells and appraisal wells; (ii) completion of exploration wells and appraisal wells not then completed as productive of petroleum; (iii) deepening, sidetracking, plugging back and/or recompleting, or reworking of exploration wells or appraisal wells; (iv) declaration of a commercial discovery; (v) development of a commercial discovery; and (vi) any operations specifically authorized to be undertaken as an exclusive operation pursuant to the surrender provision of Block 3/05A JOA. The consenting parties to an exclusive operation shall bear, in accordance with the participating interests agreed for the exclusive operation, the entire cost and liability of conducting an exclusive operation. Operator shall be entitled to request cash advances and shall not be required to use its own funds to pay any cost and expense. The accounting procedure shall apply to operator in respect of any exclusive operations.

The operator must subscribe and maintain the insurance coverage specified by the Block 3/05A JOA and the Block 3/05A PSA. Insurance applicable to joint operations shall be paid out of the joint account.

10.17 Block 23 JOA

On 30 November 2006, Sonangol, Oxy of Angola (Block 23), LLC, and Maersk Oli Angola AS entered into the Block 23 JOA, which sets out the terms upon which the parties will jointly conduct the joint exploration, appraisal, development, production and disposition of Petroleum from Block 23, in accordance with the Block 23 PSA. The Block 23 JOA is governed by English law. Currently, Sonangol holds 100% of the participating interests in Block 23, which renders the provisions of the Block 23 JOA currently ineffective. Afentra Angola will never be party to the Block 23 JOA and expects to negotiate a new JOA for Block 23 with Sonangol and any other new members of the contractor group.

The Block 23 JOA provides for operator's exclusive right and obligation to represent the contractor group members by its two members in the operating committee in all dealings with the Government and the National Concessionaire with respect to matters arising under the Block 23 PSA and Block 23 JOA.

The Block 23 JOA provides for the establishment of a contractor committee to supervise all joint operations, with one representative from each party appointed to said contractor committee, and one alternate. Further subcommittees, including technical and financial, may also be formed to advise the contractor committee. The voting rights of each representative shall be commensurate with the percentage of participating interest held by the relevant appointing party. Decisions of the contractor committee require the approval of two non-affiliated parties together holding not less than a 65% participating interest in the Block 23 PSA.

In the event of default by one of the parties, the defaulting party will have a period of 30 days from receipt of the default notice to remedy the default. If the default has not been remedied within this 30-day period, each non-defaulting Party shall have the option to require that the Defaulting Party completely withdraws from the Block 23 JOA and the Block 23 PSA.

The transfer of interest provision of the Block 23 JOA provides that if any party to the Block 23 JOA intends to assign all or part of its participating interest it must notify the other parties once the final terms and conditions of a transfer have been fully negotiated. Such notification must include the disclosure of the final terms and conditions relevant for the acquisition of the participating interest along with copy of all instruments or relevant portions of instruments establishing such terms and conditions. The recipient parties have 30 days from receipt of the notification to acquire the relevant participating interest. If the offer is not accepted within said 30-day period, the offering party may proceed with the sale to the third party under terms and conditions no more favourable to the third party than those set forth in the notice to the parties. Block 23 JOA also includes specific change of control provisions whereby, *inter alia*, a party subject to a change of control shall provide reasonable satisfactory evidence to the other parties that following said change of control such party shall continue to have the financial capability to satisfy its payment obligations under the Block 23 PSA, the relevant financing agreement (as defined in the Block 23 JOA) and the Block 23 JOA.

The Block 23 JOA includes a withdrawal provision which allows any party to withdraw from the Block 23 PSA subject to providing written notice to the non-withdrawing parties. The effective date of withdrawal shall be the end of the calendar month following the calendar month in which the notice of withdrawal is given. The withdrawing party shall assign its participation interest at no cost to each non-withdrawing party in proportion to the participation interest held by each non-withdrawing party (prior to withdrawal). The withdrawing party will remain liable for its share of the participation percentage of the claims, costs and expenses included in the work programmes and budgets approved by the contractor committee or in an authorisation for expenditure prior to such party's notice of withdrawal, even if the work/expenditure is completed/incurred later.

All operations must be conducted either as (i) joint operations, (ii) exclusive operations under Article 7 of the Block 23 JOA or (iii) sole risk operations under Article 30 of the Block 23 PSA. Joint operations include the operations carried out by the operator, the costs of which are to be shared between the parties in accordance with the accounting procedure, their respective participating interests, and the financing agreement. Only the following types of operation may be proposed or conducted as an exclusive operation: (i) drilling and/or testing of exploration wells and appraisal wells; (ii) completion of exploration wells and appraisal wells not then completed as productive of petroleum; (iii) deepening, sidetracking, plugging back and/or recompleting, or reworking of exploration wells or appraisal wells; (iv) declaration of and development of a commercial discovery; and (v) acquisition of geological and geophysical data. The consenting parties to an exclusive operation shall bear, in accordance with the participating interests agreed for the exclusive operation, the entire cost and liability of conducting an exclusive operation.

The operator must procure and maintain the insurance coverage specified by the Block 23 JOA and the Block 23 PSA. Insurance applicable to joint operations shall be paid out of the joint account.

10.18 Block 3/05 PSA

Below is a description of the process and timelines under the Block 3/05 PSA for the exploration and exploitation of the area governed by the Block 3/05 PSA. The Block 3/05 PSA is subject to the provisions of Concession Decree 73/2005, of 28 September 2005.

Exploration and Exploitation Process and Timelines PSA 3/05

10.18.1 Stage 1 – Exploration phase

Not applicable as the Block 3/05 PSA was executed after the exploration phase.

10.18.2 Stage 2 – Discovery/Feasibility phase

Not applicable as the Block 3/05 PSA was executed after the discovery/feasibility phase.

10.18.3 Stage 3 – Exploitation phase

The production period for each development area which shall be executed until the last day of production period. The production period expires on 31 December 2040, following an extension approved by Executive Decree 63/23, of 10 May 2023, which also unified the former separate development areas of Palanca, Pacassa, Cobo, Impala, Impala SE, Pambi, Oombo 1 and Búfalo into a single development area currently designated as “Development Area of Block 3/05”.

10.18.4 Government of Angola participation

Development Area Profit Oil is shared between National Concessionaire (70%) – a State of Angola-owned company – and contractor group (30%). An addendum to the Block 3/05 PSA establishing a 60% (National Concessionaire) / 40% (Contractor Group) Profit Oil ratio has been initialled by the parties thereto. However, a separate statute by the President of Angola will need to be enacted to allow the execution of the addendum to the Block 3/05 PSA that would also include this topic.

10.18.5 Extension of Block 3/05 PSA

The extension of the production period until 31 December 2040 has been approved. Please refer to paragraph 10.18.3 of Part 1 of this document.

Economics of the Block 3/05 PSA

10.18.6 Signature bonus

The foreign entities comprising the contractor group were required to pay to the National Concessionaire a signature bonus of US\$17,500,000 on 28 September 2005, as the date in which the Concession Decree 73/05, approved by the Council of Ministers as it was published in the Official Gazette of 28 September 2005 comes into force.

10.18.7 Ad Valorem Tax (i.e. Royalty)

No specific information is available in the PSA.

10.18.8 Cost Recovery

The contractor group shall recover all exploration, development, production and administration and services expenditures incurred under the Block 3/05 PSA by taking and freely disposing of up to 50% per year of all crude oil produced and saved from development areas and not used in petroleum operations (cost recovery crude oil). The following rules are established:

- If, on a given year, recoverable costs, expenses or expenditures are less than the maximum value of cost recovery crude oil, the difference shall become part of the respective development area profit oil; and
- Development expenditures in each development area shall be multiplied by 1.33.

An addendum to the Block 3/05 PSA establishing a percentage for the Cost Recovery Crude Oil of 75% with retroactive effect as from 1 January 2023 has been initialled by the parties thereto. However, a separate statute by the President of Angola will need to be enacted to allow the execution of the addendum to the Block 3/05 PSA that would also include this topic.

10.18.9 Profit sharing

Development Area Profit Oil shall be shared between National Concessionaire and contractor group, as follows:

- National Concessionaire: 70%; and
- Contractor group: 30%.

An addendum to the Block 3/05 PSA establishing a 60% (National Concessionaire) / 40% (Contractor Group) Profit Oil ratio has been initiated by the parties thereto. However, a separate statute by the President of Angola will need to be enacted to allow the execution of the addendum to the Block 3/05 PSA that would also include this topic.

10.18.10 Infrastructure

Physical assets purchased by contractor group for the implementation of the work programme and budget become the property of National Concessionaire when purchased in Angola or, if purchased abroad, when they enter Angolan territory. This rule shall not apply to equipment leased from and belonging to third parties.

During the term of the PSA, the contractor group shall be entitled to the full use in the contract area, and any other area approved by National Concessionaire, of all fixed and movable assets at no cost to the contractor group.

The National Concessionaire is only entitled to sell any asset used in petroleum operations upon prior consent of the contractor group and to the extent that such asset is deemed redundant or no longer useful by the contractor group.

10.18.11 Abandonment

Within a period of 60 days from the termination of the Block 3/05 PSA or of the date of relinquishment of any area, the contractor group shall hand over to National Concessionaire all of the wells which are in production or are capable of producing, within the area to which the expiry, cancellation or abandonment refers, together with all the related casing, piping, surface or subsurface equipment and facilities acquired by contractor group, except those being used for petroleum operations elsewhere in the contract area as defined on the effective date.

Should National Concessionaire so require, contractor group shall proceed to correctly abandon the well or wells and shall also undertake other actions for the abandonment of the related assets in accordance with normal petroleum industry practice. Such request shall be made by the National Concessionaire within a period of 180 days before the termination of the agreement or of the estimated date of relinquishment of any area.

10.18.12 Taxes

No specific information contained in the Block 3/05 PSA.

10.18.13 Exchange regulations

No specific information contained in the Block 3/05 PSA.

10.18.14 Other fees

To avoid the international double taxation of contractor group's income, the National Concessionaire shall favourably consider any amendments or revisions to PSA that the contractor group may propose, if those amendments or revisions do not impact on National Concessionaire or Angola's economic benefits and other benefits resulting from the Block 3/05 PSA.

10.18.15 Liability

The contractor group shall be liable to third parties for any losses and damages it may cause during the conduction of the petroleum operations and shall indemnify and defend the National Concessionaire with respect thereto provided timely notice has been given of the claims and opportunity to defend.

The contractor group is also liable for losses and damages which, in conducting the petroleum operations, it may cause to the State and, in case of the contractor group's wilful misconduct or gross negligence, to the National Concessionaire.

The liability among the entities of the contractor group, as a general rule is joint and several. However, under the Block 3/05 JOA, there are certain situations where the operator shall bear all damages, losses, costs, expenses and liabilities if the operator or any of its affiliates (as such term is defined in the Block 3/05 JOA) engages in gross negligence or wilful misconduct, however, the operator (or any of its indemnified parties) are specifically excluded from bearing any consequential losses or costs associated with environmental damages.

10.18.16 Applicable Law

Laws of Angola.

10.19 Block 3/05A PSA

Below is a description of the process and timelines under the Block 3/05A PSA for the exploration and exploitation of the area governed by the Block 3/05A PSA. The Block 3/05A PSA shall be subject to the provisions of Concession Decree 71/2005, of 28 September 2005.

Exploration and Exploitation Process and Timelines

10.19.1 Stage 1 – Exploration phase

Initial exploration phase of three contract years starting from effective date of the Block 3/05A PSA. Contractor group is entitled to an extension of two contractual years following the Initial Exploration Phase. Any such extension depends on prior notification of the contractor group to the National Concessionaire by written notice at least 30 days prior to the end of the initial exploration phase, provided that the contractor group have fulfilled its obligations in respect of the initial exploration period.

The Block 3/05A PSA shall be terminated if no commercial discovery has been made in the contract area by the end of the initial exploration phase or the optional exploration phase in case this phase has occurred. However, such phases may be extended for 6 months for the completion of drilling and testing of any well actually being drilled or tested at the end of the third and/or fifth contract year, as the case may be.

10.19.2 Stage 2 – Discovery/Feasibility phase

Within 30 days of the completion of the drilling and testing of the exploration well, the contractor group shall notify the National Concessionaire of the results of the final tests of said well and whether or not it is commercial.

Following the declaration of a commercial well, the contractor group may proceed to evaluate the discovery by drilling one or more appraisal wells, with a view to determining whether such discovery may be classified as a commercial discovery.

10.19.3 Stage 3 – Exploitation phase

Following each commercial discovery, the area within the contract area capable of production shall be agreed between National Concessionaire and contractor group. Such area shall be converted automatically into a development area with effect from the date of the commercial discovery.

The production period for each development area which shall be 20 years from the date of commercial discovery in such development area. Contractor group may apply to extend a production period, with the support of the National Concessionaire, such extension to be subject to Government approval.

10.19.4 Government of Angola participation

Development area profit oil is shared between National Concessionaire and the members of the contractor group.

Economics of the PSA 3/05A

10.19.5 Signature bonus

No specific information contained in the Block 3/05A PSA.

10.19.6 Ad Valorem Tax (i.e. Royalty)

No specific information contained in the Block 3/05A PSA.

10.19.7 Cost Recovery

Costs and expenses incurred in the petroleum operations, as well as any losses and risks derived therefrom, shall be borne by the contractor group, and the National Concessionaire shall not be responsible to bear or repay any such costs.

The contractor group shall recover all exploration, development, production and administration and services expenditures incurred under the Block 3/05A PSA by taking and freely disposing of up to 50% per year of all crude oil produced and saved from development areas and not used in petroleum operations (cost recovery crude oil). The following rules are established:

- Development expenditures in each development area shall be multiplied by 1.30 for the purpose of accounting for development expenditure in determining taxable income; and
- The date of commencement of commercial production shall be the date on which the first shipment of crude oil from the contract area takes place in accordance with the approved lifting schedule.

10.19.8 Profit sharing

Development area profit oil shall be shared between the National Concessionaire and contractor group according to the tax nominal rate of return achieved at the end of the preceding quarter by the contractor group as follows:

Contractor group's rate of return for development area (% p.a.)	National Concessionaire share (%)	Contractor group share (%)
Less than 10%	30%	70%
10% to less than 20%	40%	60%
20% to less than 30%	60%	40%
30% to less than 35%	70%	30%
35% or more	90%	10%

10.19.9 Infrastructure

Physical assets purchased by the contractor group for the implementation of the work program and budget become the property of the National Concessionaire when purchased in Angola or, if purchased abroad, when they enter Angolan territory. This rule shall not apply to equipment leased from and belonging to third parties.

During the term of the Block 3/05A PSA, contractor group shall be entitled to the full use in the contract area, and any other area approved by National Concessionaire, of all fixed and movable assets at no cost to the contractor group.

The National Concessionaire is only entitled to alienate any asset used in petroleum operations upon prior consent of the contractor group and to the extent that such asset is deemed redundant or no longer useful by the contractor group.

10.19.10 Abandonment

Within a period of 60 days from the termination of the Block 3/05A PSA or of the date of relinquishment of any area, the contractor group shall hand over to the National Concessionaire all of the wells which are in production or are capable of producing, within the area to which the expiry, cancellation or abandonment refers, together with all the related casing, piping, surface or subsurface equipment and

facilities acquired by the contractor group, except those being used for petroleum operations elsewhere in the contract area.

Should the National Concessionaire so require, the contractor group shall proceed to correctly abandon the well or wells. Such request shall be made by the National Concessionaire within a period of 180 days before the termination of the agreement or of the estimated date of relinquishment of any area.

If such request is made by the National Concessionaire, the National Concessionaire shall make the required funds available to the contractor group, to be withdrawn from the amounts paid to the National Concessionaire. If these funds are insufficient to cover costs, the National Concessionaire and the contractor group should agree on the method for covering such additional costs.

10.19.11 Taxes

No specific information contained in the Block 3/05A PSA.

10.19.12 Exchange regulations

No specific information contained in the Block 3/05A PSA.

10.19.13 Other fees

In order to avoid the international double taxation of the contractor group's income, the National Concessionaire shall favourably consider any amendments or revisions to the PSA that the contractor group may propose to it, provided that they do not modify the economic benefits of the National Concessionaire or of the Republic of Angola.

10.19.14 Liability

The contractor group shall be liable to third parties for any losses and damages it may cause during the conduction of the petroleum operations and shall indemnify and defend the National Concessionaire with respect thereto provided timely notice has been given of the claims and opportunity to defend.

The contractor group is also liable for losses and damages which, in conducting the petroleum operations, it may cause to the State and, in case of contractor group's wilful misconduct or gross negligence, to National Concessionaire.

These provisions do not apply to losses and damages caused during petroleum operations for account and risk of the National Concessionaire, for which National Concessionaire shall indemnify and defend the contractor group, and in relation to which the contractor group shall only be liable for such losses and damages, caused by its wilful misconduct or gross negligence.

The liability among the entities of the contractor group, as a general rule is joint and several. However, under the Block 3/05 JOA, there are certain situations where the operator shall bear all damages, losses, costs, expenses and liabilities if the operator or any of its affiliates (as such term is defined in the Block 3/05 JOA) engages in gross negligence or wilful misconduct, however, the operator (or any of its indemnified parties) are specifically excluded from bearing any consequential losses or costs associated with environmental damages.

10.19.15 Applicable Law

Laws of Angola.

10.20 Block 23 PSA

Exploration and Exploitation Process and Timelines of Block 23 PSA

10.20.1 Stage 1 – Exploration phase

Initial exploration phase of four contract years starting from effective date contractor group is entitled to an extension of two contractual years following the initial exploration phase. Any such extension depends on prior notification of contractor group to the National Concessionaire by written notice at least 30 days prior to the

end of the initial exploration phase, provided that contractor group have fulfilled its obligations in respect of the initial exploration period.

The Block 23 PSA shall be terminated if no commercial discovery has been made in the contract area by the end of the initial exploration phase or the optional exploration phase in case this phase has occurred. However, such phases may be extended for six months for the completion of drilling and testing of any well actually being drilled or tested at the end of the fourth and/or sixth contract year, as applicable.

The exploration phase has been extended to four years as of 2 December 2022, expiring on 2 December 2026, further to Executive Decree 36/23, of 27 February 2023.

10.20.2 *Stage 2 – Discovery/Feasibility phase*

30 days as of the end of the drilling and testing of an exploration well, contractor group shall inform the National Concessionaire of the results of the final tests of the well and whether such a well is commercial or not.

Following the declaration of a commercial well, contractor group may undertake the appraisal of the discovery by, among others, drilling one or more appraisal wells to determine whether such discovery can be classified as a commercial discovery.

10.20.3 *Stage 3 – Exploitation phase*

Following each commercial discovery, the area within the contract area capable of production shall be agreed between National Concessionaire and contractor group. Such area shall be converted automatically into a development area with effect from the date of the commercial discovery.

The production period for each development area shall be 25 years from the date of commercial discovery in such development area. The contractor group may apply to extend a production period, with the support of the National Concessionaire, such extension to be subject to Government approval.

10.20.4 *Government of Angola participation*

Development area profit oil is shared between national concessionaire (a state of Angola-owned company and the members of the contractor group.

Contractor Group's rate of return for Development Area (% p.a.)	National Concessionaire Share (%)	contractor group Share (%)
Less than 10%	30%	70%
10% to less than 20%	40%	60%
20% to less than 30%	60%	40%
30% to less than 35%	70%	30%
35% or more	80%	20%

Economics of the Block 23 PSA

10.20.5 *Bonuses and Contributions*

Contractor group, excluding Sonangol, shall pay the National Concessionaire the following bonuses and contributions:

- US\$2,000,000: as a signature bonus on effective date (1 November 2006);
- US\$1,000,000: as a contribution to social projects to be defined by the National Concessionaire to be paid on the effective date (1 November 2006);
- US\$2,000,000: as a production bonus, payable at the beginning of the 5th year of production; and
- US\$2,000,000: as a production bonus, payable at the beginning of the 7th year of production.

10.20.6 *Ad Valorem* Tax (i.e. Royalty)

No specific information contained in the Block 23 PSA.

10.20.7 *Cost Recovery*

Contractor group shall recover all exploration, development, production and administration and services expenditures incurred under the Block 23 PSA by taking and freely disposing of up to 55% per year of all crude oil produced and saved from development areas and not used in petroleum operations (cost recovery crude oil). The following rules are established:

- If, in any year, recoverable costs, expenses or expenditures are less than the maximum amount of cost recovery crude oil, the difference shall become part of the relevant development area profit oil;
- Development expenditures in each development area shall be multiplied by 1.40 for the purpose of accounting for development expenditure in determining taxable income.

10.20.8 *Profit sharing*

Development area profit oil shall be shared between National Concessionaire and contractor group according to the tax nominal rate of return achieved at the end of the preceding quarter by the contractor group as follows:

Contractor Group's rate of return for Development Area (% p.a.)	National Concessionaire Share (%)	contractor group Share (%)
Less than 10%	30%	70%
10% to less than 20%	40%	60%
20% to less than 30%	60%	40%
30% to less than 35%	70%	30%
35% or more	80%	20%

10.20.9 *Infrastructure*

Physical assets purchased by contractor group for the implementation of the work program and budget become the property of National Concessionaire when purchased in Angola or, if purchased abroad, when they enter Angolan territory. This rule shall not apply to equipment leased from and belonging to third parties.

During the term of the Block 23 PSA, contractor group shall be entitled to the full use in the contract area, and any other area approved by National Concessionaire, of all fixed and movable assets at no cost to contractor group.

The National Concessionaire is only entitled to alienate any asset used in petroleum operations upon prior consent of the contractor group and to the extent that such asset is deemed redundant or no longer useful by the contractor group.

10.20.10 *Abandonment*

Within a period of 60 days from the termination of the Agreement or of the date of relinquishment of any area, the contractor group shall hand over to National Concessionaire all of the wells which are in production or are capable of producing, within the area to which the expiry, cancellation or abandonment refers, together with all the related casing, piping, surface or subsurface equipment and facilities acquired by the contractor group, except those being used for petroleum operations elsewhere in the contract area.

Should the National Concessionaire so require, the contractor group shall proceed to correctly abandon the well or wells. Such request shall be made by the National Concessionaire within a period of 180 days before the termination of the agreement or of the estimated date of relinquishment of any area.

10.20.11 Taxes

No specific information contained in the Block 23 PSA.

10.20.12 Exchange regulations

No specific information contained in the Block 23 PSA.

10.20.13 Other fees

To avoid the international double taxation of the contractor group's income, the National Concessionaire shall favourably consider any amendments or revisions to the PSA that the contractor group may propose to it, provided that they do not modify the economic benefits of the National Concessionaire or of the Republic of Angola.

10.20.14 Liability

The contractor group shall be liable to third parties for any losses and damages it may cause during the conduction of the petroleum operations and shall indemnify and defend the National Concessionaire with respect thereto provided timely notice has been given of the claims and opportunity to defend.

The contractor group is also liable for losses and damages which, in conducting the petroleum operations, it may cause to the State and, in case of contractor group's wilful misconduct or gross negligence, to National Concessionaire.

The liability among the entities of the contractor group is joint and several.

10.20.15 Applicable Law

Laws of Angola.

10.21 Block 3/05 Lifting Agreement

On 1 October 2007, (i) Sonangol EP, (ii) Ajoco Exploration Co Ltd, (iii) Ajoco'91 Exploration Co Ltd, (iv) Angola, (v) China Sonangol, (vi) Azule, (vii) FINA Petróleos de Angola SARL, (viii) INA-Industrija Nafta D.D., (ix) Naftna Industrija SRBIJE A.D. NOVI SAD, NIS-Naftagas, (x) Petrobras Internacional Braspetro BV, (xi) Petroleos de Portugal – Petrogal S.A., (xii) Etu Energias, (xiii) Sonangol (xiv) Svenska Petroleum Exploration AB, (xv) Texaco Panama Inc. and (xvi) Total E&P Angola entered into a lifting agreement (the “**Lifting Agreement**”), which establishes the rules and procedures for lifting, at the terminal located in Block 3/05 offshore Angola, of crude oil produced from, among others, Block 3/05, and evacuated via the terminal. The Lifting Agreement replaced the previous lifting agreement dated of 10 July 2002.

Angola Japan novated its position in this agreement to Maurel through a novation agreement dated 31 July 2019. The novation had effect as from 1 January 2018

The Lifting Agreement provides for obligations of terminal operator (Sonangol) to, *inter alia*, (i) prepare a programme and manage the coordination of liftings of crude oil available at the terminal, and (ii) keep all records of crude oil produced, stored and lifted. It also includes operator's rights to, *inter alia*, (i) reduce the lifting period for each cargo, and (ii) limit the number of liftings per month and modify cargo size.

A lifting programme shall be prepared each month and each party may submit its cargo nominations for the lifting of its rights in the same month (which must specify the quantity it wishes to lift and a lifting period of 2 days) following the publication of the provisional lifting programme. The parties are entitled to (i) nominate a cargo composed of the pooling of their rights, and (ii) pool their rights and liftings for a longer period.

The name and characteristics of the vessel, as well as instructions regarding the making up and disposition of the bills of lading, are notified by lifter to terminal operator for clearance. Lifter is also responsible for supply of vessel paperwork as required by Angolan authorities, as well as payment of port charges, fees, duties and taxes imposed on vessel and cargo.

The Lifting Agreement also includes rules on vessel berthing and loading, including refusal rights of operator and rights to impose a different order or vessel shifting, as well as

regulation on payment by lifter of demurrage costs and expenses incurred by terminal operator under certain circumstances.

Terminal operator may take measures – including reduction or stoppage of production – as necessary so as not to exceed storage capacity, especially whenever any defaulting party's cargo will not be lifted in time or in quantities sufficient to avoid a risk of overflow of terminal's storage capacity. In the event crude oil is interrupted for over 3 months parties must agree on an equitable compensation to be made by over lifters to under lifters of crude oil.

The agreement provides that that custody and risks on crude oil and liabilities passes to lifter when crude oil passes delivery point (F.O.B. Angolan loading facility).

The Lifting Agreement also contains default provisions dealing with events related with failure to lift within the lifting period – in which case non-defaulting parties may decide to lift the corresponding quantities. Over lifting may be (i) attributed or sold to non-defaulting parties, who are granted a first offer right to purchase such crude oil quantities that should have been lifted, or (ii) sold to a third-party. Defaulting parties shall bear and keep terminal operator indemnified in relation to costs resulting from their failure.

The Lifting Agreement is governed by English law. Disputes arising out of this agreement will be subject to Arbitration under the ICC rules, with seat in London.

10.22 Odewayne JOA

10.22.1 On 2 October 2013, Petrosoma Limited, Jacka Resources Somaliland Limited and Genel Energy Somaliland Limited entered into the Odewayne JOA which sets out the terms upon which the parties will jointly conduct exploration, development, appraisal and production disposition of Hydrocarbons from the Search Boundaries (as set out at provision 3.1 of the Odewayne JOA) at the Odewayne Block, in accordance with the Odewayne PSA. The Odewayne JOA is governed by Somaliland law.

10.22.2 The Odewayne JOA provides for the establishment of an operating committee to supervise all joint operations, with one representative and one alternative representative from each party appointed to the operating committee. Further sub committees including technical and financial will also be formed to advise the operating committee. The voting rights of each representative shall be commensurate with the percentage participating interest held by the relevant appointing party. Decisions of the operating committee require the approval of two or more non-affiliated parties together holding not less than a 65% participating interest in the Odewayne PSA.

10.22.3 In the event of default by one of the parties the defaulting party has a period of five days from receipt of the default notice in which to remedy the default. If the default has not been remedied within this 30 day period, the following conditions apply: (i) the non-defaulting parties can choose to invoke the sole risk provisions; (ii) if the non-defaulting parties choose not to invoke the sole risk provisions, the assignment provision will apply; and (iii) if the participation interest is not acquired under the assignment provision, the withdrawal provision will be applied.

10.22.4 The assignment provision of the Odewayne JOA provides that, if any party to the Odewayne JOA intends to assign all or part of their participating interest, they must first notify the other parties to the Odewayne JOA. Such notification must include the price and terms of assignment. The recipient parties have 15 business days from receipt of the notification to decide whether to acquire the relevant interest. If the offer is not accepted within the 15 day period, the offering party may proceed with the sale to a third party, provided that it is not at a lower price or on terms more advantageous than those offered to the other parties to the Odewayne JOA.

10.22.5 The Odewayne JOA includes a withdrawal provision which permits any party to withdraw from the Odewayne PSA, subject to provision 13 of the Odewayne JOA, by giving 90 days' written notice to the non-withdrawing parties. Subject to the terms of the Odewayne PSA, the withdrawing party will assign its participation interest at no cost to each party not withdrawing, in proportion to the participation

interest held by each party (prior to withdrawal) not withdrawing. Subject to provision 13.4(b)(1) of the JOA, the withdrawing party will remain liable for its share of the participation percentage of the claims, costs and expenses approved by the operating committee or consenting parties as a part of work program and budget (including multi-year programme and budgets) prior to such party's notification of withdrawal, regardless of when they are incurred.

10.22.6 All operations under the Odewayne JOA must be conducted either as joint operations or sole risk operations. Joint operations include the operations carried out by the operator, the costs of which are to be shared between consenting parties. Sole risk activities may only be carried out by the operator where there is no adverse impact on the joint operations carried out pursuant to the agreed work programme and budget. The use of joint property for sole risk operations is subject to the prior approval of the operating committee which cannot be unreasonably withheld. The operator may request funds for sole risk operations; however, such funds cannot be paid out of the common development funds.

10.22.7 *The operator must subscribe and maintain the insurance coverage specified by the Odewayne JOA and the Odewayne PSA. Subject to provision 4.7(g) of the Odewayne JOA, insurance applicable to joint operations shall be paid out of the joint account maintained by the parties to the Odewayne JOA. If supplementary insurance is put in place, and this applies to the activities of one party only, that party shall be responsible for funding the insurance.*

10.23 Odewayne PSA

Below is a description of the process and timelines under the Odewayne PSA for the exploration of the area governed by the Odewayne PSA.

Exploration Process and Timelines

10.23.1 Stage 1 (complete) – the parties to the Odewayne PSA shall carry out a programme of data collection and review, and a geological prospecting mission on the Odewayne Block are for a minimum cost of US\$200,000.

10.23.2 Stage 2 (complete) – the parties to the Odewayne PSA shall carry out seismic reprocessing work and re-interpret seismic data for an approximate amount of US\$2,000,000 based on the work of Stage 1.

10.23.3 Stage 3 (by 2 May 2023) – the parties to the Odewayne PSA shall acquire new seismic data, to determine the prospects and to select drilling sites, and to undertake sufficient drilling for an approximate amount of US\$3,000,000.

10.23.4 Stage 4 (by 2 May 2024) – the parties to the Odewayne PSA shall acquire new seismic data to determine the prospects and to select drilling sites, and to undertake sufficient drilling for an approximate amount of US\$7,000,000.

Economics of the Odewayne PSA

10.23.5 *Signature bonus*

No specific information is contained in the Odewayne PSA.

10.23.6 *Ad Valorem Tax (i.e. Royalty)*

The Republic of Somaliland is entitled to a royalty of 10% of gross receipts from the production and sale of crude oil.

10.23.7 *Cost Recovery*

To recover oil costs, the parties to the Odewayne PSA are entitled to retain a portion of the total production of crude oil of up to 40% of the overall quantity of crude oil that is neither used in oil operations or lost.

10.23.8 *Profit sharing*

After deduction of the Republic of Somaliland's royalty and deduction of oil costs, the Republic of Somaliland is entitled to 50% of the remaining gross receipts, with

the other 50% shared between the other parties to the Odewayne PSA in accordance with their proportionate interests.

10.23.9 Infrastructure

No specific information is contained in the Odewayne PSA.

10.23.10 Access to pipelines and rights for the construction of pipelines

Consent from the Somaliland Ministry of Natural Resources and Minerals is required for the transport of hydrocarbons by pipelines. The party responsible for construction of a pipeline is required to ensure its adequate technical and economic specifications.

10.23.11 Abandonment

No specific information is contained in the Odewayne PSA.

10.23.12 Taxes

The Republic of Somaliland shall be paid 25% of the other parties to the Odewayne PSA's share of the receipts, in full satisfaction of all tax liabilities.

10.23.13 Exchange regulations

The laws of foreign exchange in the Republic of Somaliland apply to the parties to the Odewayne PSA, but the parties and their sub-contractors are guaranteed free conversion and transfer of i) funds intended to settle all debts (principal and interest) to foreign creditors and suppliers, ii) net profit to be distributed to non-Somaliland associates, iii) profit, dividends and any other funds derived from the liquidation of assets after paying taxes, customs duties and charges provided for under the law of Somaliland, and iv) savings of expatriated personnel.

10.23.14 Other fees

The Republic of Somaliland is entitled to a bonus payment of US\$1 million on the date that an exploration permit is granted pursuant to the Odewayne PSA. Additionally, the Republic of Somaliland is entitled to a further bonus payment of US\$750,000 on the first occasion that daily total production exceeds the prior daily total production by 50,000 barrels.

10.23.15 Liability

The Republic of Somaliland, and any other person, is indemnified by the other parties to the Odewayne PSA for any damage or loss that may be caused to the property or rights of other people in the course of oil operations. If the responsibility of the Republic of Somaliland is assumed in such a scenario, the other parties to the Odewayne PSA shall provide every defence to the Republic of Somaliland and shall indemnify it for any sum or expense for which it would be liable in connection with, or as a result of, a claim.

The parties to the Odewayne PSA (other than the Republic of Somaliland) and their sub-contractors are required to maintain all insurance policies that would be required in relation to oil operations of the type contemplated by the Odewayne PSA, with such policies providing coverage in accordance with the amounts used within the international oil industry.

10.23.16 Applicable Law

English law.

11 EMPLOYEES

The Group employed on average seven people during the financial year ended 31 December 2020, six people during the financial year ended 31 December 2021 and nine people during the financial year ended 31 December 2022. During the most recent financial year the Group engaged no temporary staff.

12 LITIGATION

No member of the Group is or has been involved in any legal or arbitration proceedings which are active, pending or threatened against it, or being brought by it, which are having or may have a significant effect on the Group's financial position or profitability.

13 UK TAXATION

The following information is based on UK tax law and HM Revenue and Customs ("HMRC") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

13.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), 10% or more, of the shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

13.2 Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals before 6 April 2024 will have a £1,000 annum dividend tax allowance. From 6 April 2024 the allowance is reduced to £500.

Dividend receipts received before 6 April 2024 in excess of £1,000 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers. Dividend receipts received after 6 April 2024 in excess of £500 will be taxed at the same rates.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received, but will not be entitled to claim relief in respect of any underlying tax.

13.3 Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10% rising to 20% for higher rate and additional rate taxpayers.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares, but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 25% for profits in excess of £250,000, with profits below £50,000 to be taxed at 19%, and a marginal rate on profits between these values. The profit limits are reduced under certain circumstances, with close investment-holding companies not being entitled to the lower rate.

Further information for Shareholders subject to UK income tax and capital gains tax

13.4 “Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

13.5 Stamp Duty and Stamp Duty Reserve Tax

No stamp duty or stamp duty reserve tax will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor stamp duty reserve tax should arise on transfers of Ordinary Shares on AIM (including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- the Ordinary Shares are admitted to trading on AIM, but are not listed on any market (with the term “*listed*” being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- AIM continues to be accepted as a “*recognised growth market*” as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or stamp duty reserve tax may apply to transfers of Ordinary Shares in certain circumstances.

Any transfer of Ordinary Shares for consideration prior to admission to trading on AIM is likely to be subject to stamp duty or SDRT.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE THEY ARE RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT THEIR PROFESSIONAL ADVISER.

14 MANDATORY BIDS, SQUEEZE OUT AND SELL OUT RULES

14.1 Mandatory bid

The Takeover Code applies to the Company. Under the Code, if an acquisition of Ordinary Shares were to increase the aggregate interest in shares of the acquirer and any parties acting in concert with it to Ordinary Shares carrying 30 per cent or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties (if

any) would be required (except with the consent of the Takeover Panel) to make a cash offer for the Ordinary Shares not already owned by the acquirer and its concert parties (if any) at a price not less than the highest price paid for Ordinary Shares by the acquirer or its concert parties (if any) during the previous 12 months. A similar obligation to make such a mandatory cash offer would also arise on the acquisition of Ordinary Shares by a person holding (together with its concert parties, if any) Ordinary Shares carrying at least 30 per cent, but not more than 50 per cent, of the voting rights in the Company if the effect of such acquisition were to increase the percentage of the aggregate voting rights held by the acquirer and its concert parties (if any).

14.2 Squeeze-out rules

Under the Act, if a person who has made a general offer to acquire Ordinary Shares (the “offeror”) were to acquire, or contract to acquire, 90 per cent in value of the Ordinary Shares which are the subject of such offer and 90 per cent of the voting rights carried by those shares, the offeror could then compulsorily acquire the remaining 10 per cent. The offeror would do so by sending a notice to outstanding Shareholders before the end of the three month period beginning on the day after the last day on which the offer can be accepted. The notice must be made in the prescribed manner. Six weeks later, the offeror would send a copy of the notice to the Company together with an instrument of transfer executed in respect of the outstanding Ordinary Shares on behalf of the holder in favour of the offeror and pay the consideration for those Ordinary Shares. The Company would hold the consideration on trust for outstanding shareholders. The consideration offered to those shareholders whose Ordinary Shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the general offer.

14.3 Sell-out rules

14.3.1 The Act gives minority shareholders a right to be bought out in certain circumstances by a person who has made a general offer as described in paragraph 14.2 above. If, at any time before the end of the period within which the general offer can be accepted, the offeror holds, or has agreed to acquire, not less than 90 per cent in value of the Ordinary Shares and those shares carry not less than 90 per cent of the voting rights in the Company, any holder of Ordinary Shares to which the general offer relates who has not accepted the general offer can, by a written communication to the offeror, require it to acquire that holder’s Ordinary Shares.

14.3.2 The offeror is required to give each Shareholder notice of his right to be bought out within one month of that right arising. The rights of minority shareholders to be bought out are not exercisable after the period of three months after the end of the acceptance period or a later date specified in the notice given by the offeror. If a Shareholder exercises his rights, the offeror is entitled and bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

15 GENERAL

15.1 Save as disclosed in this document, there are no patents or other intellectual property rights, licences or particular contracts that are of fundamental importance to the Company’s business.

15.2 The total costs and expenses (including professional fees, printing and advertising costs) payable by the Company in relation to the application for Admission are estimated to amount to approximately £1,000,000 (exclusive of VAT) and are payable by the Company.

15.3 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, within the 12 months preceding the application for Admission or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission:-

15.3.1 fees totalling £10,000 or more;

15.3.2 securities where these have a value of £10,000 or more calculated by reference to the expected opening price on Admission; or

- 15.3.3 any other benefit with a value of £10,000 or more at the date of Admission, save for the following consultants:
- 15.3.4 BDO LLP;
 - 15.3.5 Belltree Limited;
 - 15.3.6 Blueasterisk Design Ltd;
 - 15.3.7 Buchanan Communications Ltd;
 - 15.3.8 EnergiLink Ltd;
 - 15.3.9 Ermine Street Energy Ltd;
 - 15.3.10 ET Works;
 - 15.3.11 Frontier Communications Limited;
 - 15.3.12 Global travel management;
 - 15.3.13 IHS Global;
 - 15.3.14 Infor (UK) Ltd;
 - 15.3.15 Jeff Goodrich;
 - 15.3.16 Katila Machado Tati;
 - 15.3.17 Lakeland Oil & Gas Int Trading & Supply Ltd;
 - 15.3.18 Lambert Energy Advisory Ltd;
 - 15.3.19 Link Asset Services;
 - 15.3.20 London Stock Exchange plc;
 - 15.3.21 Nuthatch Advisors Limited;
 - 15.3.22 Operis Business Engineering Ltd;
 - 15.3.23 Preng & Associates Limited;
 - 15.3.24 PricewaterhouseCoopers;
 - 15.3.25 PricewaterhouseCoopers – Portugal;
 - 15.3.26 Progressive Technology Solutions Ltd;
 - 15.3.27 Review Travel;
 - 15.3.28 Schlumberger Oilfield UK Ltd;
 - 15.3.29 Tidjani Thiam; and
 - 15.3.30 Tom Sharman Consultancy Ltd.
- 15.4 Save as disclosed in this document, there has been no material change in the financial or trading position of the Group since 30 June 2023, the date to which the Accountants' Report on the Group's interim results for the six months ended 30 June 2023 incorporated by reference into Part 5 of this document have been drawn up.
- 15.5 The principal activities of the Group are as described in Part 1 of this document. Save as disclosed in Part 1 of this document, there are no exceptional factors which have influenced the Group's activities.
- 15.6 Other than the current application for Admission, the Ordinary Shares have not been admitted to dealing on any investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for there to be dealings in the Ordinary Shares on any such exchange.
- 15.7 Save in respect of the agreements summarised in paragraphs 8 and 10 of this Part 7, there have been and are currently no related party transactions (for the purposes of the Standards adopted according to the Regulation (EC) No 1606/2002) entered into by the Company, or

subject to completion of the Adjusted Sonangol Acquisitions and the Azule Acquisitions, the Enlarged Group and any individuals or entities that may be deemed to be related parties, prior to the date of this document.

- 15.8 There are no arrangements in place under which future dividends are to be waived or agreed to be waived.
- 15.9 Save as disclosed in this document, there have been no significant recent trends in production, sales and inventory and costs and selling price between the end of the last financial year of the Company and the date of this document.
- 15.10 Save as disclosed in this document, there are no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 15.11 The accounting reference date of the Company is 31 December. The current accounting reference period of the Company ends on 31 December 2023.
- 15.12 All the information provided in this document has been sourced from the Company and the Company's other advisers named on 20 and 21 of this document. All such information has been accurately reproduced and so far as the Company is aware and is able to ascertain no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information set out in this document has been sourced from a third party the Company confirms that this information has been accurately reproduced and that, so far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 15.13 The auditors of the Company are BDO LLP whose registered office is at 55 Baker Street, London W1U 7EU and who are a member of the Institute of Chartered Accountants of England and Wales.
- 15.14 No commission is payable by the Company to any person in consideration of his agreeing to subscribe for securities to which this document relates or of his procuring or agreeing to procure subscriptions for such securities.
- 15.15 No paying agent has been appointed by the Company.
- 15.16 Save as disclosed in this document, there are no investments in progress, and there are no future investments on which the Directors have already made firm commitments, which are significant to the Group.
- 15.17 Save as disclosed in this document, there has been no significant change in the financial performance or the financial position of the Group since 30 June 2023, the date to which the Group's interim results for the six months ended 30 June 2023 incorporated by reference into Part 5 of this document have been drawn up.

16 CONSENTS

- 16.1 Peel Hunt LLP of 100 Liverpool Street, London, EC2M 2AT is regulated by the Financial Conduct Authority for the conduct of investment business in the UK. Peel Hunt has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to it in the form and context in which it appears.
- 16.2 Tennyson Securities of 65 Petty France, London, SW1H 9EU is a trading name of Shard Capital Partners LLP which is regulated by the Financial Conduct Authority. Tennyson Securities has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to it in the form and context in which it appears.
- 16.3 Crowe U.K. LLP of 2nd Floor, 55 Ludgate Hill, London, United Kingdom, EC4M 7JW has given and has not withdrawn its written consent to the inclusion of its name, its report set out in Section A of Part 6 of this document and the references to such reports and its name, in the form and context in which they appear. Crowe U.K. LLP accepts responsibility for the report set out in Section A of Part 6 in accordance with Schedule Two of the AIM Rules, confirms that to the best of its knowledge having taken all reasonable care to ensure that

such is the case the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information.

- 16.4 ERC Equipoise Limited is acting in the capacity of Competent Person to the Company. ERC Equipoise Limited has no material interests in the Company. ERC Equipoise Limited has given and has not withdrawn its consent to the inclusion of its name, its Competent Person's Report set out in Part 9 of this document and references to it in this document in the form and context in which it appears.

17 INFORMATION INCORPORATED BY REFERENCE

17.1.1 The following documents published or issued on or prior to the date hereof shall be deemed to be incorporated in, and to form part of, this document:

- (a) the publicly available audited financial statements for the financial year ended 31 December 2022, as set out on pages 88 to 115 and the auditors' report thereon as set out on pages 80 to 87, as included in the Company's Annual Report 2022, which can be obtained from www.afentraplc.com;
- (b) the publicly available audited financial statements for the financial year ended 31 December 2021, as set out on pages 72 to 97 and the auditors' report thereon as set out on pages 66 to 71, as included in the Company's Annual Report 2021, which can be obtained from www.afentraplc.com;
- (c) the publicly available audited financial statements for the financial year ended 31 December 2020, as set out on pages 54 to 80 and the auditors' report thereon as set out on pages 48 to 53, as included in the Company's Annual Report 2020, which can be obtained from www.afentraplc.com; and
- (d) the publicly available unaudited interim results for the six months ended 30 June 2023, as set out in the RNS announcement issued by the Company on 12 September 2023, which can be obtained from www.afentraplc.com.

18 AVAILABILITY OF ADMISSION DOCUMENT

Copies of this document are available free of charge from the registered office of the Company and from the office of at the Company's registered office at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this document and will remain available for at least 30 days after the date of Admission. This document will also be available for download from the Company's website at www.afentraplc.com.

Dated 18 September 2023

PART 8
NOTICE OF GENERAL MEETING
AFENTRA PLC

(Incorporated and Registered in England and Wales under the Companies Acts 1948 to 1981 with Registered No 01757721)

Notice is hereby given that the General Meeting of Afentra PLC (the “Company”) will be held electronically on <https://web.lumiagm.com> on 5 October 2023 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution (the “Resolutions”) as ordinary resolutions of the Company. The Chair of the General Meeting will be hosting the meeting at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL.

ORDINARY RESOLUTIONS

1. **THAT**, the Adjusted Sonangol Acquisitions (as defined in the Admission Document) be and are hereby approved and the Directors (or any duly authorised committee thereof) be and are hereby authorised:
 - (a) to proceed with the Adjusted Sonangol Acquisitions (details of which are set out in Part 1 of the Admission Document) substantially on the terms and subject to the conditions set out in the Amended Sonangol Acquisition Agreement, a copy of which will be produced to the meeting, and all other agreements and ancillary documents contemplated by the Amended Sonangol Acquisition Agreement;
 - (b) to do or procure to be done all such acts and things on behalf of the Company and Afentra Angola as the Directors consider necessary, desirable or expedient to implement, or otherwise in connection with, the Adjusted Sonangol Acquisitions; and
 - (c) to agree or procure the agreement of such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Adjusted Sonangol Acquisitions and/or to any documents relating to it, as the Directors (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.

2. **THAT**, the Azule Acquisitions (as defined in the Admission Document) be and are hereby approved and the Directors (or any duly authorised committee thereof) be and are hereby authorised:
 - (a) to proceed with the Azule Acquisitions (details of which are set out in Part 1 of the Admission Document) substantially on the terms and subject to the conditions set out in the Azule Acquisition Agreement, a copy of which will be produced to the meeting, and all other agreements and ancillary documents contemplated by the Azule Acquisition Agreement;
 - (b) to do or procure to be done all such acts and things on behalf of the Company and Afentra Angola as the Directors consider necessary, desirable or expedient to implement, or otherwise in connection with, the Azule Acquisitions; and
 - (c) to agree or procure the agreement of such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Azule Acquisitions and/or to any documents relating to it, as the Directors (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.

By order of the Board

Richard Andrew Cliff
Company Secretary

18 September 2023

NOTICE OF GENERAL MEETING NOTES:

Right to Vote

1. To be entitled to vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the Register of Members of the Company at close of trading on 3 October 2023. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. The Company will also be operating an electronic voting system that will allow Shareholders to cast their vote on the Resolution in advance of the General Meeting. Shareholders will be able to cast their vote electronically by logging on to <http://www.signalshares.com/> and following the instructions or using the CREST Proxy Voting Services. Electronic votes must be received by Link Group by 10.00 a.m. on 3 October 2023.

Joining the Electronic General Meeting

3. The Chair of the General Meeting will be hosting the meeting at High Holborn House, 52-54 High Holborn, London, England, WC1V 6RL but all other Shareholders wishing to join the General Meeting should do so electronically. In order to join the General Meeting electronically and ask questions via the platform, Shareholders will need to connect to the following site <https://web.lumiagm.com>. Lumi is available as a mobile web client, compatible with the latest browser versions of Chrome, Firefox, Edge and Safari and can be accessed using any web browser, on a PC or smartphone device.
4. Once you have accessed <https://web.lumiagm.com> from your web browser on a tablet or computer, you will be asked to enter the Lumi Meeting ID which is 107-165-738. You will then be prompted to enter your unique 11 digit Investor Code (IVC) including any leading zeros and 'PIN'. Your PIN is the last 4 digits of your IVC. This will authenticate you as a shareholder.
5. Your IVC can be found on your share certificate, or Signal Shares users (www.signalshares.com) will find this under 'Manage your account' when logged in to the Signal Shares portal. You can also obtain this by contacting Link, our Registrars, by calling +44 (0) 371 277 1020. *Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday, calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate.
6. Access to the General Meeting will be available from 30 minutes before meeting start time, although the voting functionality will not be enabled until the Chair of the meeting declares the poll open. During the General Meeting, you must ensure you are connected to the internet at all times in order to vote when the Chair commences polling on the Resolution. Therefore, it is your responsibility to ensure connectivity for the duration of the General Meeting via your wi-fi. A user guide to the Lumi platform is available on our website at: <https://afentraplc.com/investors/>
7. If your shares are held within a nominee and you wish to attend the electronic meeting, you will need to contact your nominee as soon as possible. Your nominee will need to present a corporate letter of representation to Link Group, our registrar, as soon as possible and at least 72 hours (excluding non-business days) before the meeting, in order that they can obtain for you your unique IVC and PIN to enable you to attend the electronic meeting.

Appointment of Proxies

8. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend the meeting on their behalf. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that Shareholder. A proxy does not need to be a Shareholder but must be able to attend the meeting.
9. The Company encourages all Shareholders who wish to vote to utilise the electronic voting system to appoint the Chair of the General Meeting as their proxy (by logging on to <http://www.signalshares.com/> and following the instructions or using the CREST Proxy Voting Services). The Company recommends that all Shareholders appoint the proxy as soon as

possible, but in each case the proxy must be received by Link Group by 10.00 a.m. on 3 October 2023.

10. If you wish to appoint a proxy other than the Chair of the meeting and for them to attend the virtual meeting on your behalf, please submit your proxy appointment in the usual way before contacting Link Group on +44 (0) 371 277 1020* in order to obtain their IVC and PIN. It is suggested that you do this as soon as possible and at least 48 hours (excluding non-business days) before the meeting.
11. If you return more than one proxy appointment, the appointment received last by the Registrars before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
12. Appointment of a proxy by return of a completed form of proxy, electronic filing or CREST will not prevent a Shareholder from attending the meeting if he/she wishes to do so.
13. You can appoint a proxy to vote your shares by:
 - logging on to <http://www.signalshares.com/> and following the instructions;
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below;
 - If you need help with voting online, or require a paper proxy form, please contact our Registrar, Link Group, on + 44 (0)371 664 0391. Calls from the UK will be charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open from 9 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales in order for a proxy appointment to be valid a form of proxy must be completed. In each case the proxy must be received by Link Group by 10.00 a.m. on 3 October 2023.
14. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/about/en/business/Keylegaldocuments.html>) (the “**CREST Manual**”). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
15. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent (ID RA:10) by 10.00 a.m. on 3 October 2023. For this purpose, the time of receipt will be taken to mean the time (as is determined by the timestamp applied to the message by the CREST application host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
16. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Joint Holders

17. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).

Corporate Representatives

18. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.

Issued Share Capital

19. As at 6 p.m. on 15 September 2023 (being the latest practicable Business Day prior to the publication of this Notice of General Meeting), the Company's ordinary issued share capital consists of 220,053,520 Ordinary Shares, carrying one vote each. The Company does not hold any Treasury Shares. Therefore, the total voting rights in the Company as of 15 September 2023 are 220,053,520.

Communication

20. You may not use any electronic address (within the meaning of Section 333(4) of the Act) provided in either this Notice of General Meeting or any related documents to communicate with the Company for any purposes other than those expressly stated. A copy of this Notice can be found on the Company's website at www.afentraplc.com.

PART 9
COMPETENT PERSON'S REPORT

Afentra plc

Block 3/05 Angola

Competent Person's Report

Effective Date 30 June 2023

Prepared For: Afentra Plc

By: ERCE

Date: 18 September 2023

ERCE
Independent Energy Experts

Approved by: Simon McDonald

Date released to client: 18 September 2023

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18 September 2023

The Directors
Afentra plc
High Holborn House
52-54 High Holborn
London WC1V 6RL

Peel Hunt LLP
100 Liverpool Street
London EC2M 2AT

Dear Sirs,

Re: Competent Person's Report Block 3/05 Offshore Republic of Angola

In accordance with your instructions, ERC Equipoise Ltd ("ERCE") has prepared a Competent Person's Report ("CPR") for the purpose of an AIM Admission Document to be prepared by Afentra plc. This CPR is for the hydrocarbon Reserves and Contingent Resources associated with three separate transactions being undertaken by Afentra plc's wholly owned subsidiary, Afentra (Angola) Ltd ("Afentra") (collectively, the "Transactions"). The effective date of this CPR is 30 June 2023 (the "Effective Date").

The first of the transactions pertinent to the CPR is Afentra's proposed purchase, from Sonangol Pesquisa e Produção S.A. ("Sonangol P&P"), of a 14.00% interest in Block 3/05 offshore Angola. The second of the transactions is Afentra's proposed purchase, from Azule Energy Angola Production B.V. ("Azule"), of a 12.00% interest in Block 3/05 offshore Angola. The third of the transactions is Afentra's purchase, from Industrija Nafta d.d. ("INA"), of a 4.00% interest in Block 3/05 offshore Angola which has been completed as announced on 10 May 2023¹.

In preparation of this CPR ERCE was provided by Afentra and Sonangol P&P data, and information up to July 2023. A list of this data and information is included in Section 2.1 of this CPR. ERCE is not aware of any material change pertaining to the assets described in this CPR in the period between the Effective Date and the date of this report. Afentra has provided representations to this effect.

This CPR has been prepared on the basis that the Block 3/05 licence tenure has been extended to 31 December 2040 per the executive decree issued on 10 May 2023 under the

¹ AFENTRA PLC Completion of INA Acquisition RNS Number: 8630Y 10 May 2023

same fiscal terms². Afentra advises that approval for modified fiscal terms, which if granted would be back dated to 1 January 2023, should occur during the third quarter of 2023.

This CPR has been prepared in accordance with the June 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resources Management System (“PRMS”). A summary of the PRMS is found in Appendix 1 of this CPR. The full text can be downloaded from: -

<https://www.spe.org/en/industry/petroleum-resources-management-system-2018/>

Nomenclature that may be used in this CPR is summarised in Appendix 2. Totals presented within this report may not exactly equal the sum of individual entries due to rounding.

ERCE is an independent consultancy specialising in geoscience evaluation, engineering, and economic assessment. ERCE will receive a fee for the preparation of this report in accordance with normal professional consulting practices. This fee is not dependent on the findings of this CPR or on Admission and ERCE will receive no other benefit for the preparation of this CPR. ERCE does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the resources and Reserves and the projections and assumptions included in the various technical studies completed by Afentra and Sonangol P&P, opined upon by ERCE and reported herein.

Neither ERCE nor the Competent Person who is responsible for authoring this CPR, nor any Directors of ERCE have at the date of this report, nor have had within the previous two years, any shareholding in Afentra or Peel Hunt LLP (“Peel Hunt”), or any other economic or beneficial interest (present or contingent) in any of the assets being reported on. ERCE is not a group, holding or associated company of Afentra or Peel Hunt. None of ERCE’s Directors, officers or employees are officers or proposed officers of any group, holding or associated company of Afentra or Peel Hunt. Consequently, ERCE, the Competent Person and the Directors of ERCE consider themselves to be independent of Afentra, its directors, senior management, and Peel Hunt.

ERCE accepts responsibility for this CPR and for all the technical information that has been directly extracted from the CPR and reported in the AIM Admission Document and to be dated around the same date as this letter.

ERCE declares that it has taken all reasonable care to ensure that the information contained in the CPR and included in the AIM Admission Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

In accordance with the AIM Rules for Companies, ERCE confirms that the presentation of information contained elsewhere in the AIM Admission Document which relates to information in the CPR is accurate, balanced and not inconsistent with the CPR.

² Executive decree no 63/23 issued 10 May 2023

Use of the Report

This report is addressed to Afentra plc and its Nominated Adviser, Peel Hunt. ERCE understands that this report will be included as part of the AIM Admission Document to be published by Afentra.

This CPR was prepared by ERCE for the benefit of Afentra's Board of Directors and Peel Hunt. Any other third party to whom the client discloses or makes available this CPR shall not be entitled to rely on it or any part of it.

Afentra and Peel Hunt agree to ensure that any publication or use of this report which refers to ERCE shall be published or quoted in its entirety and neither Afentra nor Peel Hunt shall publish or use extracts of this report or any edited or amended version of this report without the prior written consent of ERCE.

Disclaimer

In the case that any part of this report is delivered in digital format, ERCE does not accept any responsibility for edits carried out by Afentra, Peel Hunt, or any third party or otherwise after the CPR has been prepared and issued by ERCE.

ERCE has used standard petroleum evaluation techniques in the generation of this report. These techniques combine geophysical and geological knowledge with assessments of porosity and permeability distributions, fluid characteristics, production performance and reservoir pressure. There is uncertainty in the measurement and interpretation of primary data. ERCE has estimated the degree of this uncertainty and determined the range of petroleum initially in place and recoverable hydrocarbon volumes. In applying these procedures and tests, nothing came to the attention of ERCE that would suggest that information provided by Afentra, and Sonangol P&P was not accurate.

ERCE does not guarantee the correctness of any interpretation of information contained in the CPR and shall not be liable or responsible for any loss, costs, damages, or expenses incurred or sustained by anyone resulting from any interpretation made by any of its officers, agents, or employees.

ERCE reserves the right to review all calculations referred to or included in this report and to revise the estimates considering erroneous data supplied or information existing but not made available which becomes known after the preparation of this CPR.

The accuracy of any Reserves, Contingent Resources and production estimates is a function of the quality and quantity of available data and of engineering interpretation and judgment. While Reserves, Contingent Resources and production estimates presented herein are considered reasonable, the estimates should be accepted with the understanding that reservoir performance and new information after the date of the estimate may justify revision, either upward or downward.

Revenue projections presented in this report are based in part on forecasts of market prices, currency rates, inflation, market demand and government policy which are subject to many uncertainties and may, in future, differ materially from the forecasts utilised herein. Present values of revenues documented in this report do not necessarily represent the fair market value of the Reserves evaluated herein.

In the case of Contingent Resources presented in this report, there is no certainty that it will be commercially viable to produce any portion of the resources. No site visits were undertaken in the preparation of this CPR.

Professional Qualifications

ERCE is an independent consultancy specialising in geoscience evaluation, engineering, and economic assessment. ERCE has the relevant and appropriate qualifications, experience, and technical knowledge to appraise professionally and independently the assets.

For this CPR a Competent Person is defined as someone who:

- is professionally qualified and a member in good standing of an appropriate recognised professional association and not a sole practitioner.
- has at least five years' relevant experience in the estimation, assessment, and evaluation of the type of oil and gas assets under consideration.
- is independent of the company, its directors, senior management, and advisers.
- is not remunerated by way of a fee dependent on the findings of the CPR.

The work has been supervised by Mr Simon McDonald. Mr. McDonald has over 45 years of experience in the evaluation of oil and gas fields, preparation of development plans and assessment of Reserves and resources. He holds a B.Sc. degree in Civil Engineering from Leeds University and a M.Sc. Degree in Petroleum Engineering from Imperial College, London. He is a Chartered Engineer and member of the Energy Institute, a member of the Society of Petroleum Engineers and of the Society of Petroleum Evaluation Engineers ("SPEE"). He has served as a member of the Board of the SPEE and as a past President of the SPEE.

Yours faithfully



Simon McDonald

Founder Director

1. Executive Summary

Afentra proposes to acquire a 30.00% interest in Block 3/05 offshore Angola. This interest will comprise 14.00% purchased from Sonangol P&P, 12.00% purchased from Azule, and 4.00% purchased from INA. A Sales and Purchase Agreement (“SPA”) with Sonangol was signed with an effective date of 20 April 2022 and amended on 18 July 2023 to reflect a reduced working interest from 20.00% to 14.00%, with completion expected by Afentra in the fourth quarter 2023 after the issuing of an executive decree. A SPA was signed with Azule on 18 July 2023, with completion also expected by fourth quarter 2023 after the issuing of an executive decree. Acquisition of the INA interest has been completed as announced on 10 May 2023. Following completion of the Sonangol and Azule transactions, a summary of the asset which will be held by Afentra is shown in Table 1-1.

Table 1-1: Summary of Assets

Asset	Operator	Interest	Status	Licence expiry date	Licence area	Comments
Angola, Block 3/05	Sonangol P&P	30.00%	Production	Dec-2040	391 km ²	1H 2023 oil production rate 18.0 Mstb/d

Note

- The Block 3/05 licence tenure has been extended to 31 December 2040 per executive decree 63/23 issued on 10 May 2023.

Post completion of the proposed acquisitions, the Block 3/05 joint venture will be comprised as shown in Table 1-2.

Table 1-2: Block 3/05 Contractor Group Post Transaction

Entity	Working Interest
Sonangol P&P (op)	36.00%
Afentra	30.00%
Maurel & Prom	20.00%
Etu energias	10.00%
NIS-Naftagas	4.00%

A location map and schematic of the producing fields within Block 3/05 is shown in Figure 1-1.

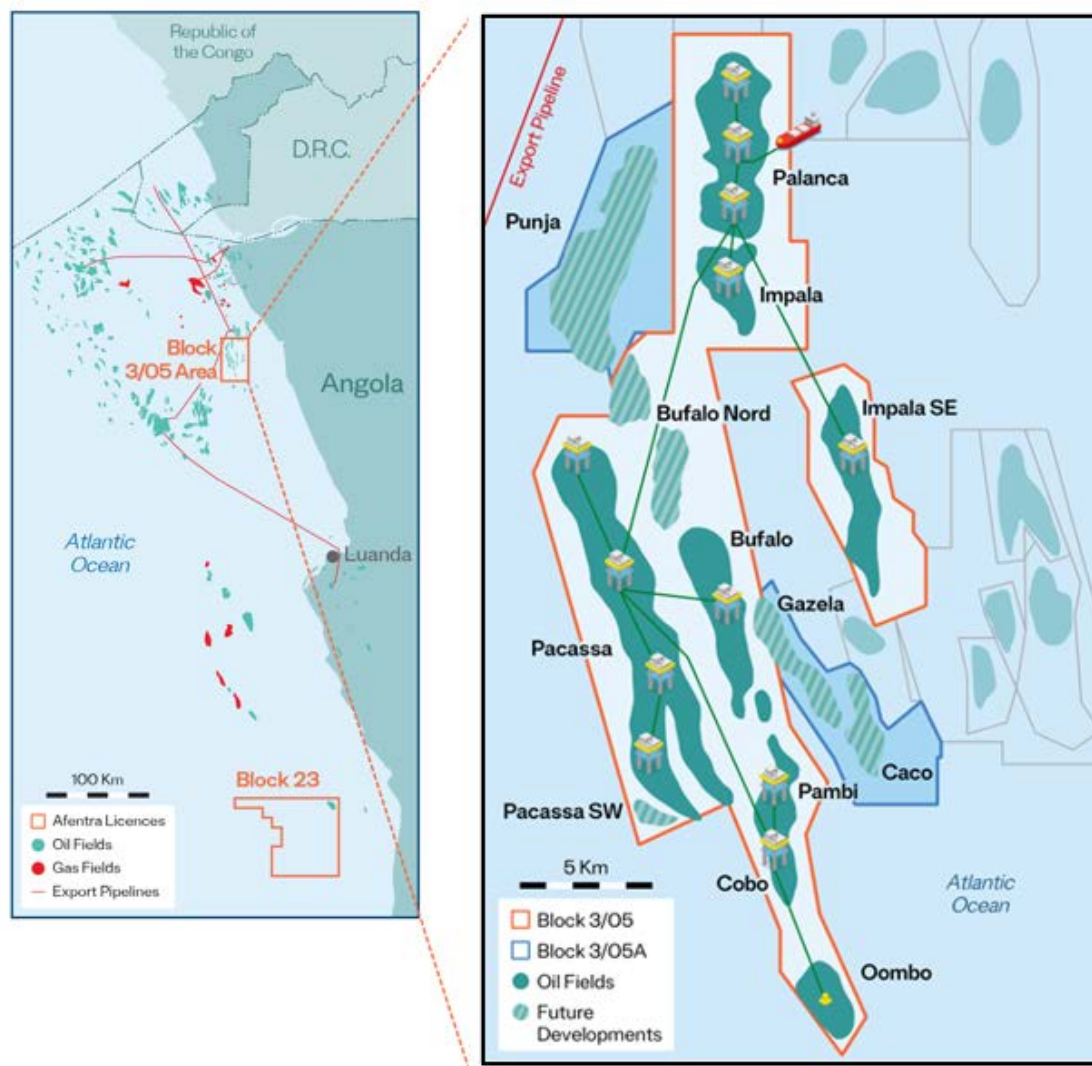


Figure 1-1: Block 3/05 Location Map and Producing Fields (Source: Afentra)

The producing fields located within Block 3/05 are shown in Table 1-3 along with their average oil production rates for the first half of 2023.

Table 1-3: Field First Oil Dates and 1H 2023 Production

Field	First Oil	1H 2023 Oil Rate Mstb/d
Pacassa	1986	7.8
Bufalo	1988	2.2
Palanca	1985	1.8
Impala South East ("SE")	1988	1.2
Impala	1992	0.0
Cobo	1993	2.9
Pambi	1995	1.2
Oombo	1997	1.0
Total		18.0

Block 3/05 is developed by a network of four processing platforms and seventeen support structures located in water depths from 60 to 100 m and some subsea architecture tying the Oombo field to the Cobo platform. Floating facilities comprise an accommodation barge and the Palanca Terminal, which is a Floating Storage and Offloading facility (“FSO”) with a maximum oil storage capacity of 2.0 million barrels.

First oil from Block 3/05 was achieved in February 1985 from the Palanca field with Oombo the last field brought on stream in October 1997. Peak oil production was approximately 200 Mstb/d in May 1998. The average oil production rate from all fields for the first half of 2023 was approximately 18.0 Mstb/d with an average water production rate of 52.7 Mbbl/d. The water cut³ at end June 2023 was about 75%.

Successful waterfloods were historically implemented in all fields with a Block 3/05 peak water injection rate of ~366 Mbbl/d in November 1999. Water injection reduced sharply from mid-2015 onwards and ceased completely in 2019 as water injection facilities became unavailable due to maintenance issues that were not remediated. Gas production increased as the gas oil ratio⁴ (“GOR”) of each field rose after the reduction and cessation of water injection.

Water injection re-instatement has been ongoing since mid-2020 initially into two fields, and since July 2022 into all producing fields. The Operator intends to increase water injection to a plateau rate of 160 Mbbl/d by 2025. Overall injection has been below target since recommencement, with the rate averaging ~ 38 Mbbl/d for the first half of 2023 as difficulties have been encountered. During 2022 power supply and distribution emerged as a bottleneck to sustaining injection rather than pump capacity. In February 2023, a leak was found in a subsea water injection line to the Cobo platform. The Operator is working to resolve these issues with the injection line leak scheduled for repair during the second half of 2023. Since re-instatement the highest monthly average injection rate has been 53 Mbbl/d in February 2023, and the highest daily injection rate 70 Mbbl/d in January 2023.

There have been no infill drilling campaigns since 2005. Plans for infill drilling campaigns are currently being matured.

Field recovery and production metrics are summarised in Table 1-4 and Table 1-5.

³ Water cut is defined as the ratio of produced water to total liquids commonly expressed as a percentage and abbreviated as “WCT”.

⁴ Gas oil ratio (“GOR”) is the ratio of produced gas to produced oil commonly abbreviated as GOR.

Table 1-4: Block 3/05 Field Recoveries to End June 2023

Field	Discovered	First Oil	Peak Oil Rate Mbb/d	Year	STOIIP	Cum. Prod. at End June 2023	Recovery Factor at End June 2023 (%)
					MMstb	MMstb	
Pacassa	1982	1986	75.9	1998	1103	510	46
Bufalo	1982	1988	23.8	1989	358	141	40
Palanca	1981	1985	52.7	1988	587	276	47
Impala	1982	1992	4.4	1999	60	12	19
Impala SE	1985	1988	28.9	1990	320	123	38
Cobo	1990	1993	46.9	1996	396	170	43
Pambi	1990	1995	28.4	1997	170	52	31
Oombo	1992	1997	22.3	2001	163	69	42
Block 3/05					3157	1354	43

Notes

1. All estimates of Stock Tank Oil Initially In Place (STOIIP) are the Operator's current best estimates.
2. Cumulative field oil production ("Cum Prod") is based on actuals to end June 2023.
3. Pacassa STOIIP is the from the Operator's 2021 study and excludes the Pacassa SW, Northeast, and Graben Block segments.
4. Oombo STOIIP is from the Operator's 2021 study.
5. Recovery Factor is calculated as cumulative oil production at end June 2023 divided by the STOIIP.

Table 1-5: Block 3/05 Field Well and Production Metrics

Field	Active Wells at June 2023		2023 Averages to End June		
	Producers	Injectors	Mbb/d	Watercut %	GOR scf/stb
Pacassa	14	5	7.8	62	3194
Bufalo	6	1	2.2	32	8035
Palanca	4	3	1.8	85	611
Impala	0	0	0	NA	NA
Impala SE	6	2	1.2	92	254
Cobo	4	0	2.9	70	2996
Pambi	3	0	1.2	66	2563
Oombo	2	1	1.0	85	4851
Block 3/05	39	12	18.0	75	3336

Since injection re-instatement in mid-2020 approximately ~16 MMbbl of water has been injected into Pacassa at rates of up to 45 Mbb/d and ~ 4 MMbbl into Bufalo at up to 8 Mbb/d.

ERCE has estimated Reserves and Contingent Resources within Block 3/05 as follows:

Reserves

Reserves are 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. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorised in accordance with the level of certainty associated with the estimates as Proved (1P), Proved plus Probable (2P) and Proved plus Probable plus Possible (3P).

Reserves within Block 3/05 have been assigned to the following currently underway or approved projects:

- Producing fields', No Further Activity ("NFA")
- Water injection restoration in all fields⁵
- Palanca F2 workovers to bring three wells back on stream.
- Impala Well IMP-001R restart.
- Light Well Interventions (LWI) planned for 2023.

Reserves are reported on a field gross, Company working interest, and Company net entitlement basis as of 30 June 2023 (Table 1-6). The producing fields' NFA Reserves have been classified as Developed Producing and all other project Reserves as Undeveloped. There are no discovered gas resources within Block 3/05. There are currently no sales gas Reserves associated with the Block 3/05 producing fields and volumes of gas consumed in operations have not been included in this CPR as Reserves.

⁵ Excluding Impala which does not have an injection well.

Table 1-6: Block 3/05 Oil Reserves Attributable to Afentra from All Transactions

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	14.9	19.4	22.8	11.2	13.5	14.2	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	5.1	10.8	17.8	3.9	5.9	8.5	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	1.2	1.7	2.2	0.9	1.1	1.2	Sonangol P&P
Light Well Interventions (LWI) Program	2.0	2.3	2.6	0.6	0.7	0.8	0.4	0.4	0.5	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.1	0.3	0.3	0.1	0.1	0.2	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	7.0	13.4	21.1	5.3	7.6	10.3	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	21.9	32.9	43.9	16.6	21.1	24.4	Sonangol P&P

Notes

1. The Effective Date is 30 June 2023.
2. Reserves are to a licence expiry of 31 December 2040.
3. The net entitlement Undeveloped Reserves for the Palanca F2 platform workovers, the 2023 Light Well Interventions, and the Impala Well IMP-001R restart have been determined on an incremental basis to the combined NFA plus Water Injection projects.
4. Reserves attributed to water injection restoration have been classified as Undeveloped at this point while ramp-up of the water injection system is underway.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1P and less than a 10% chance of exceeding the Total 3P.
6. Afentra Working Interest Reserves comprise the gross Reserves multiplied by Afentra's 30.00% Working Interest in Block 3/05 after completion of the Transactions.
7. Afentra Net Entitlement Reserves are that portion of the future production (and thus Reserves) accruing to Afentra, based on its share of total cost and profit revenues calculated under the terms of the licence agreement.
8. This table shows the aggregated Reserves associated with the Sonangol P&P, Azule, and INA transactions. Reserves associated with each of the transactions individually may be found in Appendices 3, 4, and 5.

The ERCE estimates of Developed Reserves in the producing fields are based on the assessment of production performance analysis using decline curve analysis ("DCA") techniques. Estimates of Undeveloped Reserves are based on hydrocarbon in place and recovery efficiency estimates, analogue type curves, historic well performance analysis and/or the Operator's dynamic modelling. The specific methods used are presented in the field description sections of this report.

The range of uncertainty associated with the estimated recoverable quantities of oil and the rate of future oil production from the restoration of water injection in each field is wide. The limited water injection that has occurred into the fields in the past eight years means that current field and well performance trends cannot be used to forecast the benefits of water injection. There is a lack of recent reservoir pressure measurements and a sparsity of current reservoir simulation models with which to estimate future oil production. As a result, there is considerable uncertainty as to the current level of depletion of each field below the bubble point⁶ pressure and hence the timing and quantities of increased oil production that is expected to occur as water injection re-commences and the reservoirs are re-pressurised.

Our estimates of Undeveloped oil Reserves for water injection in each field have therefore been guided by consideration of the results from the 2019 simulation study on the Cobo-Pambi fields.⁷ Adjustments were made to reflect variations on a field basis, including differences in stock tank oil initially in place (“STOIIP”), current recovery factors, water cut status, and planned water injection rates⁸.

In accordance with the PRMS guidelines, the cessation of production date used to estimate Reserves is defined as the end of the last six months period that the operating cash flow is positive, the end of the technical field life, or the end of the extended licence period, whichever occurs soonest.

Contingent Resources

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates as 1C, 2C and 3C.

In addition to quantities that are classified by ERCE as Reserves, the assets include quantities associated with certain projects that have been classified by ERCE as Contingent Resources. The projects associated with Contingent Resources are, by definition, commercially less mature than the Reserves projects.

⁶ Bubble point pressure of an oil is defined as the pressure at which the first bubble of gas appears at the reservoir temperature as the reservoir pressure declines.

⁷ Cobo-Pambi Field (Block 3/05) Phases 3, 4 & 5 Report Final Report Reference: 201800183-BF-C BeicipFranlab 06 Jan 2020

⁸ A simulation model study of the Pacassa field in 2021 has not been relied upon due to a poor history match towards the end of the history matched production period. A simulation model study of the Oombo field in 2021 has not been relied upon due to the large uncertainties in the results arising from the lack of measured field data to support any modelling work.

Contingent Resources have been assigned within Block 3/05 to the following projects:

- Two infill wells in Impala South East
- An infill well in Palanca
- An infill well in Impala
- Workovers in two Cobo wells to recomplete in the overlying labe reservoir.
- Licence extension for five years beyond the licence expiry of 31 December 2040

Table 1-7 presents the unrisksed gross and Afentra working interest oil Contingent Resources as of 30 June 2023 by project and in aggregate. The infill wells have been classified as Development Pending, the Cobo labe workovers as Development Unclarified, and the oil production volumes for five years beyond licence expiry as Development Not Viable.

Additional Block 3/05 opportunities have also been identified by the Operator. These projects have not been assessed at this time and are subject to further work. Those identified include potential infill drilling into the northern area of the Bufalo field, potential Oombo redevelopment, a potential well into the Pacassa SW prospect, and additional volumes in the labe formation in Pacassa, Cobo, and Oombo, and enhanced artificial lift technology through the potential use of Electric Submersible Pumps (“ESP’s”). Additional opportunities could include more wells and further intervention activities across all other fields.

Table 1-7: Block 3/05 Unrisksed Oil Contingent Resources Attributable to Afentra from All Transactions

Oil Contingent Resources by Project and Sub-Class (Unrisksed)	Gross (MMstb)			Afentra WI (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending (DP)							
Impala South East Infill	6.0	10.8	18.8	1.8	3.2	5.6	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.3	0.9	1.4	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.5	1.3	2.3	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	2.6	5.5	9.4	Sonangol P&P
Development Unclarified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.1	0.3	1.7	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	3.8	7.3	10.4	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	6.5	13.1	21.5	Sonangol P&P

Notes

1. Volumes shown are unrisksed oil Contingent Resources that have not been risked for chance of development.
2. Afentra Working Interest Contingent Resources are based upon a combined post Transactions working interest of 30.00%. For the Development Not Viable Contingent Resources it has been assumed that

Afentra's Working Interest would remain unchanged in the event the licence is further extended from end 2040 to end 2045.

3. Afentra Net Entitlement Contingent Resources are not disclosed because an economic evaluation of these volumes has not been performed.
4. There is no certainty that any of the Contingent Resources shown are economically viable.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1C and less than a 10% chance of exceeding the Total 3C.
6. This table shows aggregated Contingent Resources associated with the Sonangol P&P, Azule, and INA transactions. Contingent Resources associated with each of the transactions individually may be found in Appendices 3, 4, and 5.

Economic Evaluation

ERCE has undertaken an economic evaluation to determine the economic limit and the net present value ("NPV") of the fields in Block 3/05 offshore Angola, based on the current Block 3/05 fiscal terms in Angola, the production and cost profiles generated by or accepted by ERCE, and the commercial assumptions listed below. ERCE's evaluation was performed using an economic model provided by Afentra audited by ERCE to ensure its calculations replicated the terms of the Block 3/05 PSA.

Block 3/05 is governed by a Production Sharing Agreement ("PSA") which was signed in October 2005. The Block 3/05 licence term was extended to 31 December 2040 by the executive decree issued on 10 May 2023 under the same fiscal terms, thereby satisfying a condition precedent for the Sonangol Acquisition. Taking this into account ERCE has modelled the fiscal regime based on current terms to an expiry date of 31 December 2040. Afentra advises that approval for modified fiscal terms which will be back dated to 1 January 2023 should occur during the third quarter of 2023.

The main current fiscal elements of the Block 3/05 PSA include but are not limited to:

- Cost ceiling is 65% of gross revenues.
- 1.33 uplift for development capital expenditure
- Development Cost Amortisation is 25%/year.
- Profit Oil is split 30% to Contractor and 70% to ANPG

Corporate Income Tax is 50%The following commercial parameters were adopted in the modelling of discounted cash flows for this evaluation:

- ERCE has assumed a Brent crude oil price in real terms of US\$76.8/bbl in 2H 2023, US\$75.1/bbl in 2024, US\$75.4/bbl in 2025, US\$75.5/bbl in 2026, US\$75.2/bbl in 2027 and thereafter in real terms. Prices are escalated at 2.0% per annum inflation.
- ERCE has applied a crude oil price parity to Brent based on a one-year historical average.
- Capital and operating costs have been determined in 2023 real terms and inflated at a 2.0% inflation rate.

The Brent crude oil price forecast used by ERCE is tabulated in Table 1-8.

Table 1-8: Brent Crude Oil Price Forecast

ERCE (Base Case) Brent Assumptions (\$/bbl)	2H 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033+
Real (Constant \$, 2023)	76.8	75.1	75.4	75.5	75.2	75.2	75.2	75.2	75.2	75.2	75.2
Nominal (\$ of the day)	76.8	76.6	78.4	80.1	81.4	83.0	84.7	86.4	88.1	89.9	+2.0% pa

Economic results net to Afentra as of the Effective Date of 30 June 2023 in US\$ MM at the 1P, 2P and 3P levels of uncertainty are shown in Table 1-9 for each of the Developed Producing NFA and Undeveloped projects in aggregate and for all projects combined at discount rates ranging from 0 to 20%.

Table 1-9: Block 3/05 NPVs Attributable to Afentra from All Transactions

Block 3/05 Developed and Undeveloped Summary	Economic Limit (Year)	Net NPV				
		0% (US \$MM)	5% (US \$MM)	10% (US \$MM)	15% (US \$MM)	20% (US \$MM)
Developed Producing						
NFA 1P	2040	89.0	72.8	62.4	55.1	49.7
NFA 2P	2040	300.6	218.3	168.0	135.3	112.8
NFA 3P	2040	355.2	261.4	203.7	165.7	139.2
Undeveloped						
Water Injection Restoration						
1P	2040	55.2	25.1	10.1	2.4	-1.6
2P	2040	103.2	59.8	36.2	22.4	14.1
3P	2040	190.7	109.2	66.2	42.1	27.8
Palanca F2 Platform Workovers						
1P	2040	4.1	-0.3	-2.5	-3.7	-4.2
2P	2040	16.4	9.1	4.8	2.2	0.5
3P	2040	23.0	13.6	8.2	4.9	2.8
Light Well Interventions Program						
1P	2040	5.7	4.1	3.0	2.2	1.6
2P	2040	5.3	4.6	4.0	3.4	3.0
3P	2040	6.6	5.5	4.7	4.1	3.6
Impala IMP-001R Restart						
1P	2040	2.0	1.5	1.3	1.1	0.9
2P	2040	2.1	1.8	1.6	1.5	1.4
3P	2040	3.2	2.4	1.9	1.6	1.4
Total Undeveloped						
1P	2040	67.0	30.4	11.8	2.0	-3.2
2P	2040	126.9	75.3	46.5	29.5	19.0
3P	2040	223.5	130.7	81.0	52.7	35.6
Total Developed plus Undeveloped						
1P	2040	156.0	103.2	74.1	57.1	46.5
2P	2040	427.6	293.6	214.5	164.8	131.8
3P	2040	578.7	392.2	284.7	218.4	174.8

Notes

1. Economics for the Undeveloped Other Projects have been determined on an incremental basis to the combined NFA plus water injection restoration projects to reflect the fact that water injection restoration is ongoing.
2. Totals are added arithmetically.
3. This table shows aggregated economic results associated with both the Sonangol P&P, Azule and INA transactions. Economic results associated with each of the transactions individually may be found in Appendices 3, 4, and 5.

2. Data Provided and Work Completed

2.1. Data Provided

ERCE has relied upon data and information made available by Afentra.

These data comprise details of the Block 3/05 licence interests, commercial and legal terms, primary exploration and engineering data, field development plans and associated cost estimates reported in TCM, OCM, and technical workshop materials up to 29 June 2023. Materials provided included technical reports, interpreted data (including a January 2020 simulation study report on the Cobo-Pambi fields, and December 2021 reservoir simulation study reports for the Pacassa and Oombo fields), and field and well oil, water, and gas production and injection data to end July 2023.

No original seismic or well petrophysical data were available for review, nor original well or field pressure data, or field reservoir models.

No site visit was undertaken in the preparation of this report.

2.2. Work Completed

ERCE has used standard petroleum evaluation techniques in the generation of this report. These techniques combine geophysical and geological knowledge with assessments of porosity and permeability distributions, fluid characteristics, production performance and reservoir pressure. There is uncertainty in the measurement and interpretation of primary data.

For evaluating Reserves, ERCE had insufficient data to independently assess the STOIP of each field. ERCE does not consider this hindered its analysis as Reserves and their associated uncertainty have been assessed by using production performance analysis, type curves from analogue wells, and calibration to studies work undertaken by the Operator. Where appropriate Sonangol P&P's STOIP best estimates have been compared to the Reserves estimates to provide relative context and as a cross check to ensure projected recovery factors are reasonable.

For assessing Contingent Resources ERCE has adopted similar approaches to those used for Reserves, and where possible ERCE has also made checks on the STOIP for the project areas. Estimates of recovery factors were then prepared based on consideration of the results of production performance analysis, Operator studies, classical reservoir engineering calculations and the performance of analogue wells and fields.

Production profiles have been generated by ERCE for the Reserves. The forecasts generated have then been used as input to an economic model to undertake an Economic Limit Test

("ELT")⁹. The economic model has been provided to ERCE by Afentra, which ERCE has reviewed and has confirmed that the fiscal regime is correctly represented.

ERCE has evaluated the development plans for the various assets. For each field, ERCE has audited forecasts of capital, operating and abandonment costs provided by Sonangol P&P. ERCE has reviewed the costs provided and benchmarked them against its internal database to ensure they are reasonable. Where possible these estimates were compared to historical, actual costs. ERCE has used its own cost estimates where these differed significantly from those presented. ERCE's economic analysis does not consider any outstanding debt, nor future indirect corporate costs.

⁹ The economic limit is determined by the Economic Limit Test, ELT, which is defined as the date when net operating cash flow (net revenue minus direct operating costs) becomes negative. It is the point at which the cumulative net cash flow reaches its maximum for a project.

3. Block Overview

Block 3/05 is located offshore Angola in the southern Congo Basin approximately 210 km northwest of Luanda. The block is operated by Sonangol P&P on behalf of the following contractor group shown in Table 3-1.

Table 3-1: Block 3/05 Current Contractor Group

Entity	Working Interest
Sonangol P&P (op)	50.00%
Maurel & Prom	20.00%
Azule Energy	12.00%
etu energias	10.00%
NIS-Naftagas	4.00%
Afentra	4.00%

The block comprises eight producing oil fields (Palanca, Pacassa, Bufalo, Impala SE, Impala, Cobo, Pambi and Oombo) located approximately 37 km offshore Angola. Palanca is the northern most field while Oombo is the southernmost. Water depth ranges from 40 m in the north of the block to 200 m in the south with the existing infrastructure sitting in a maximum depth of 100 m.

The major reservoir (and source of all current production) is the Albian age Pinda formation (Figure 3-1 and Figure 3-2). In addition, there are oil accumulations in the Cenomanian age labe formation in the Cobo, Oombo and Pacassa field area and in the Tertiary Malembo Formation which are not currently producing.

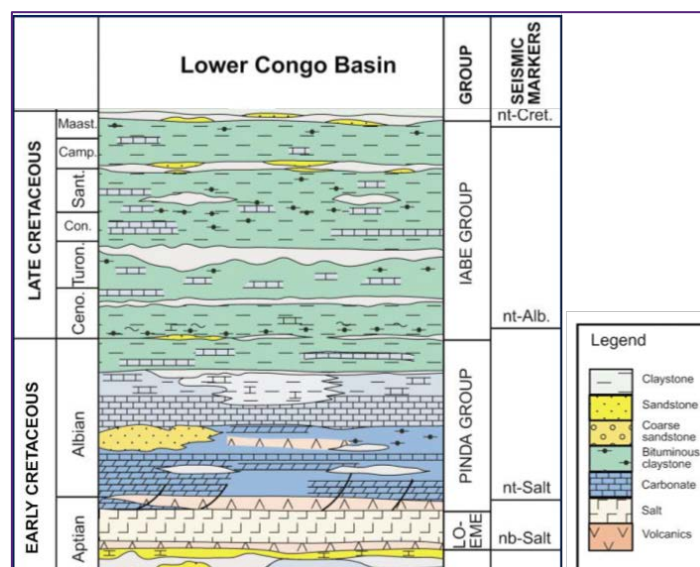


Figure 3-1: Generalised Stratigraphic Column for the Pinda and labe (After Valle et al. 2001)

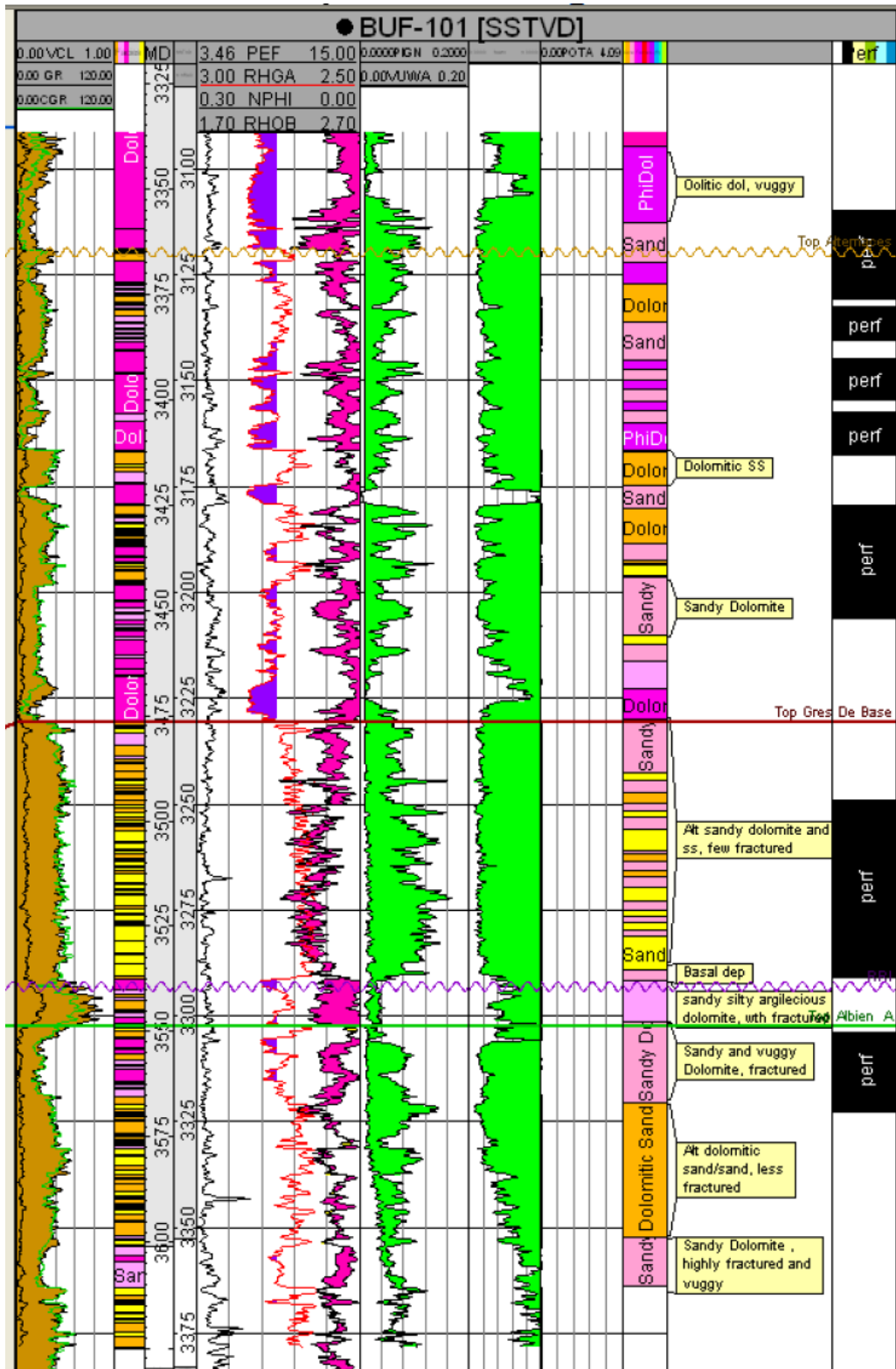


Figure 3-2: Example of Pinda Log Character and Lithology (Bufalo field Source: Sonangol P&P)

The Upper and Lower Pinda comprises thinly bedded mixed calcareous and quartzose sandstone, limestone, dolomite, and shale. The Upper Pinda carbonate sandstones (Bufalo facies) are generally the best reservoir rocks, with excellent porosity and permeability

characteristics, typically 20-25% porosity and 50 to 500 mD permeability. The Lower Pinda carbonate limestones (Pacassa facies) are generally oolitic or oncolytic reefs formed in a high-energy marine environment. Subaerial exposure has caused dolomitisation in places that has enhanced the reservoir characteristics giving typical porosities of 10-20% but with relatively low permeabilities of 10-20 mD.

All the major fields in the southern Congo Basin produce from the Pinda reservoir. The depth of the Pinda varies from 2000 – 3500 metres and it ranges in thickness from 300 to 480 metres.

The reservoir and fluid characteristics are presented in Table 3-2, which shows the Block 3/05 reservoirs contained initially undersaturated, light, low-viscosity oils.

Table 3-2: Block 3/05 Field Pressure, Temperature and Fluid Characteristics

Parameter	Units	Field					
		Pacassa	Bufalo	Palanca	Impala SE	Cobo-Pambi	Oombo
Initial Pressure	psia	6164	5865	4357	3960	5903	5497
Temperature	°C	157	147	151	140	142	131
Saturation Pressure	psia	3133	4424	3749	3321	3452	2480
GOR	scf/stb	825	1404	1123	1027	893	376
Density of Oil at Surface	°API	38	38	40	41	38	34
Oil Viscosity	Cp	0.4	0.3	0.2	0.2	0.3	0.5

Block 3/05 is developed by a network of four processing platforms and seventeen support structures interlinked by 220 km of submarine pipelines (Figure 3-3). Floating facilities comprise an accommodation barge and the Palanca Terminal, which is an FSO with a maximum oil storage capacity of 2.0 million barrels.

Oil is processed by four production platforms comprising the following:

- Palanca PAL-P1 and PAL-P2 platforms which process oil from the Palanca, Impala, and Impala SE fields. PAL-P1, PAL-P2 and PAL-F1 are linked by walkways.
- Pacassa PAC-F1, which processes oil from the Pacassa and Bufalo fields.
- Cobo COB-P1, which processes oil from the Cobo, Pambi and Oombo fields.

Processes include the gathering and separation of produced fluids, water injection, and gas lift.

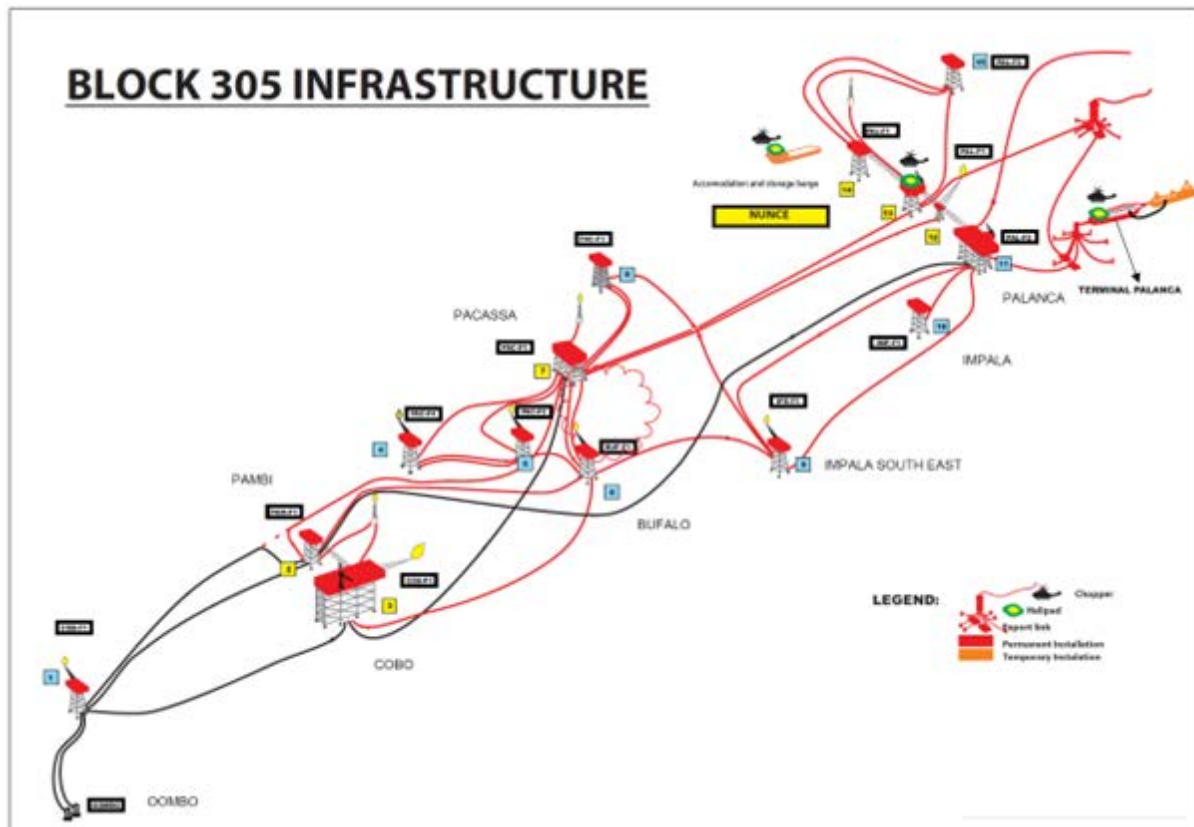


Figure 3-3: Block 3/05 Infrastructure (Source: Sonangol P&P)

Oil from the Pacassa and Cobo production platforms is routed via a network of pipelines to the Palanca complex from where it is transferred to the Palanca Terminal Storage FSO stationed to the north of the block. The oil is exported to tankers via an SPM¹⁰ buoy. Pictures of some of the facilities are shown in Figure 3-4 .

The gas which is separated from the reservoir fluids in the separation process is either used for fuel, gas lift, or is flared during normal production operations using HP and LP flares.

Elf-Total acted as Operator until the period 2005 to 2013 when there was a stepwise field handover to Sonangol P&P. There have been no infill drilling campaigns since 2005.

¹⁰ SPM means single point mooring.

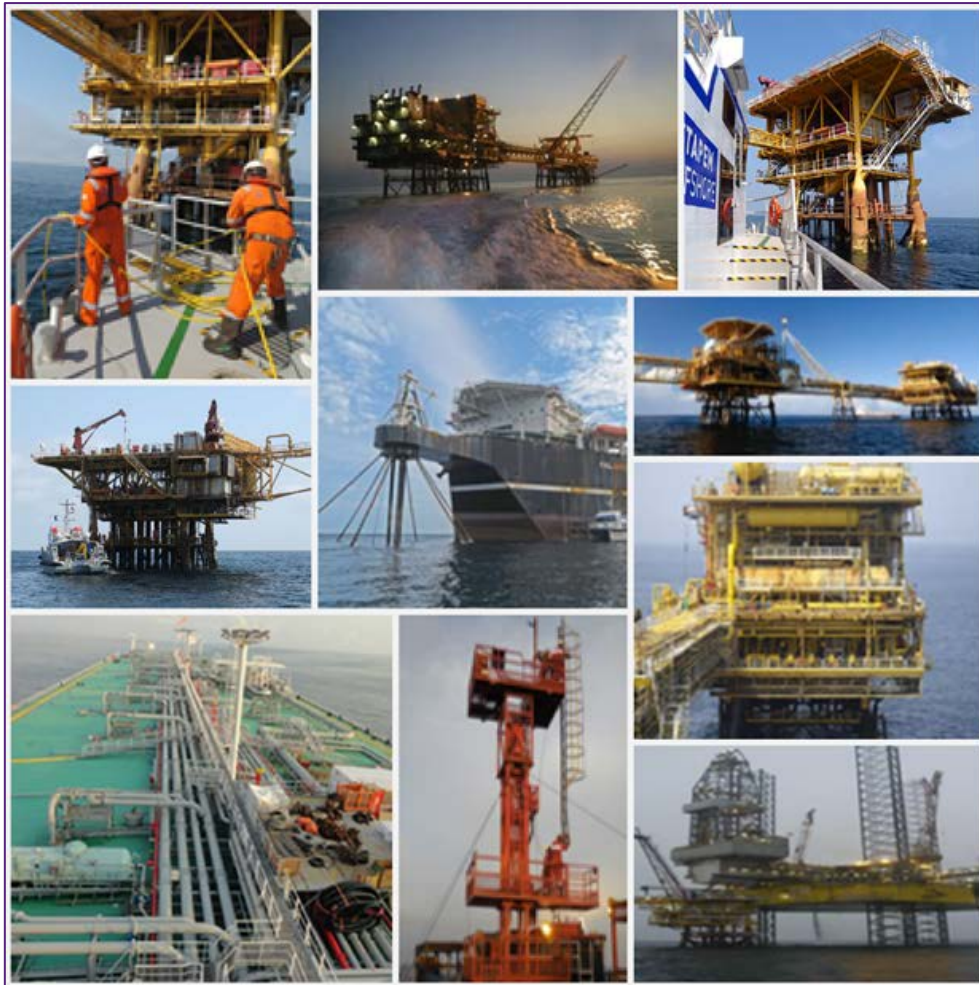


Figure 3-4: Block 3/05 Pictures of Selected Facilities (Source: Sonangol P&P)

A graph of Block 3/05 historical oil production rate by field is shown in Figure 3-5 while Figure 3-6 shows the Block 3/05 historical total oil rate along with water injection rate, GOR, and water cut (“WCT”).

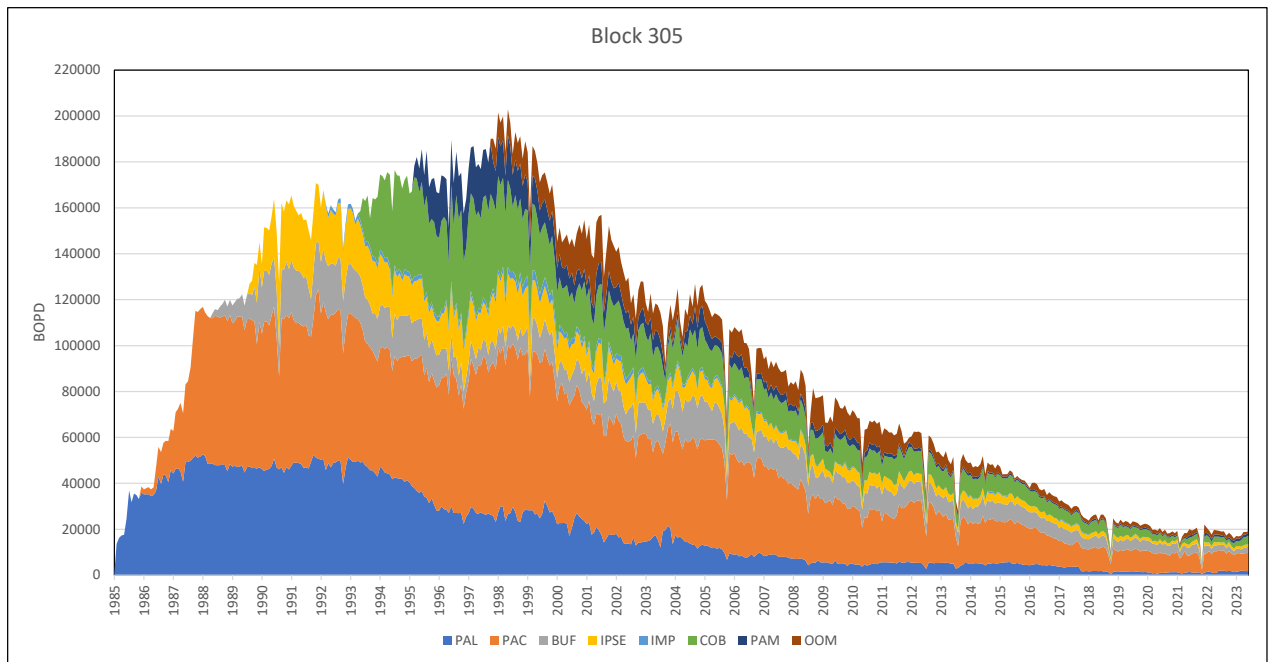


Figure 3-5: Block 3/05 Historical Oil Production by Field to End June 2023

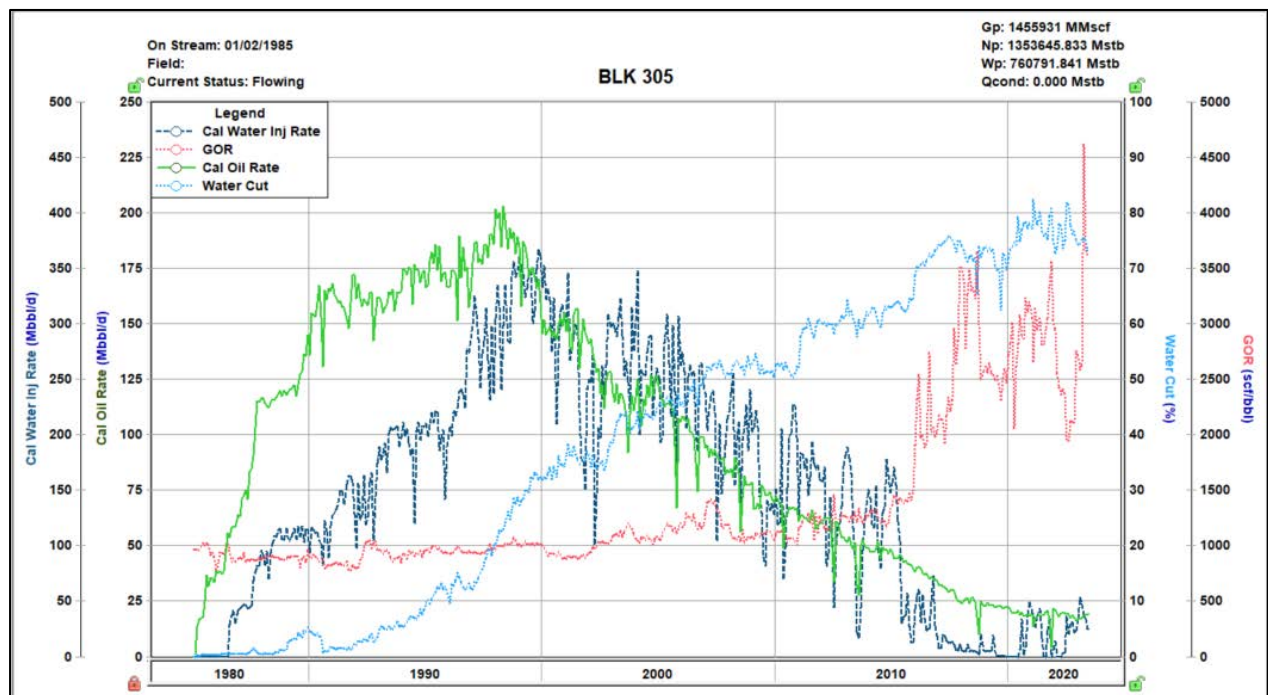


Figure 3-6: Block 3/05 Production, Water Injection, GOR and WCT to End June 2023

Block 3/05 oil production peaked at ~200 Mbb/d in 1998. Successful waterfloods were historically implemented in all fields with a Block 3/05 peak water injection rate of ~366 Mbb/d in November 1999. Water injection reduced sharply from mid-2015 onwards and ceased completely in 2019 as water injection facilities became unavailable due to maintenance issues that were not remediated. There has been limited water injection into all the fields in the period

July 2020 to June 2023. Field GORs have increased as water injection declined and ceased indicating that free gas has been liberated as reservoirs have fallen below their bubble point pressures.

Water injection re-instatement has been ongoing since mid-2020 with injection re-established into all fields. The Operator intends to increase the water injection to a plateau rate of 160 Mbb/d by 2025. Since recommencement overall injection has been below target, with the rate averaging ~ 38 Mbb/d for the first half of 2023 as difficulties have been encountered. During 2022 power supply and distribution emerged as a bottleneck to sustaining injection rather than pump capacity. In February 2023, a leak was found in a subsea water injection line. The Operator is working to resolve these issues with the injection line leak scheduled for repair during the second half of 2023. Prior to the leak the highest monthly average injection rate since re-instatement was 53.2 Mbb/d in February 2023, and the highest daily injection rate 70 Mbb/d in January 2023.

4. Field Level Overviews

4.1. Introduction

The Block 3/05 fields' recovery metrics at end June 2023 are shown in Table 4-1. They have a combined STOIIP of approximately 3157 MMstb and to the end of June 2023 had recovered 1369 MMstb oil giving a recovery factor of 43%. The largest field, Pacassa, has a STOIIP of approximately 1.1 Bbbl and has recovered just over 510 MMbbl for a recovery factor of 46 %.

Table 4-1: Block 3/05 Field Recovery Metrics at End June 2023

Field	Discovered	First Oil	Peak Oil Mbbbl/d	Year	STOIIP	Cum. Prod. at End June 2023	Recovery Factor at End June 2023
					MMstb	MMstb	
Pacassa	1982	1986	75.9	1998	1103	510	46%
Bufalo	1982	1988	23.8	1989	358	141	40%
Palanca	1981	1985	52.7	1988	587	276	47%
Impala	1982	1992	4.4	1999	60	12	19%
Impala SE	1985	1988	28.9	1990	320	123	38%
Cobo	1990	1993	46.9	1996	396	170	43%
Pambi	1990	1995	28.4	1997	170	52	31%
Oombo	1992	1997	22.3	2001	163	69	42%
Block 3/05					3157	1354	43%

Notes

1. The field STOIIPs are the Operator's current best estimates.
2. Cumulative field oil production ("Cum Prod") is based on actuals to end June 2023.
3. The Pacassa STOIIP of 1103 MMstb is taken from the 2021 modelling work reported in TCM #35 and excludes volumes associated with the Pacassa SW prospect (60 MMstb), Graben Block (1 MMstb), and North East segment (7 MMstb).
4. The Oombo STOIIP of 163 MMstb is taken from the 2021 modelling work reported in TCM #35.

The Block 3/05 fields well and production metrics are shown in Table 4-2. There were 39 active producing wells and 12 active injection wells in June 2023 . They produced at an average oil rate of 18.0 Mbbbl/d for the period from January to June 2023 at an average water cut of ~75 % and GOR of ~ 3336 scf/stb. Following the sharp drop in water injection since mid-2015 the field GOR trends and the limited available pressure data would suggest that free gas is likely to be present in certain fields, or regions within certain fields, with pressures currently below their bubble point pressures.

Sonangol has reported¹¹ that oil production is currently not being properly allocated to wells and fields due to metering issues and that actions are being taken to rectify this situation. In addition, Afentra has also advised that there is low confidence in the overall gas rate measurements at present which means recent gas trends are considered unreliable.

¹¹ Block 3/05 Technical Committee Meeting #37 24 April 2023

Consequently, while overall Block 3/05 production should be reliable, there is uncertainty with regards to recent specific well allocation and field production performance.

Water injection has been restored into Pacassa and Bufalo since July 2020 with injection through to January 2022 before being shut-in for field wide reinstatement works. Water injection recommenced in mid-2022 into all fields¹² with Pacassa and Bufalo receiving the largest volumes. Since July 2020 approximately 16 MMbbl has been injected into Pacassa at rates of up to ~ 45 Mbb/d and ~4 MMbbl into Bufalo at rates of up to 8 Mbb/d.

Table 4-2: Block 3/05 Well and Production Metrics

Field	Active Wells 1H 2023		2023 Average Oil Rates	Watercut	GOR
	Producers	Injectors	Mbb/d	%	scf/stb
Pacassa	14	5	7.8	62	3194
Bufalo	6	1	2.2	32	8035
Palanca	4	3	1.8	85	611
Impala	0	0	0.0	NA	NA
Impala SE	6	2	1.2	92	254
Cobo	4	0	2.9	70	2996
Pambi	3	0	1.2	66	2563
Oombo	2	1	1.0	85	4851
Block 3/05	39	12	18.0	75	3336

4.2. Pacassa

Pacassa was discovered in 1982 with first oil in 1986 and peak oil production of ~76 Mbb/d in October 1998. It is located 1.3 km west of the Bufalo field in approximately 80 m water depth. It is the largest field in Block 3/05 by STOIP for the developed area of 1103 MMstb¹³ reported by Sonangol P&P. Figure 4-1 shows a top structure depth map of the field.

Its reservoir comprises dolomitic sandstones and dolomites of the Bufalo and Pacassa members of the Pinda formation in a NW-SE elongated raft structure along strike from the Bufalo raft block.

The Pacassa field is developed using the Pacassa production platform PAC-F1 which processes oil from the Pacassa and Bufalo fields. PAC-F1 is a sixteen-slot drilling / production platform. Production from the PAC-F2, PAC-F3, and PAC-F4 satellite wellhead platforms is routed to PAC-F1 where it is then processed and exported to the Palanca PAL-P2 platform.

¹² Excluding Impala which does not have an injection well.

¹³ Pacassa STOIP including the Pacassa SW, Graben Block, and North East segments is 1171 MMstb.

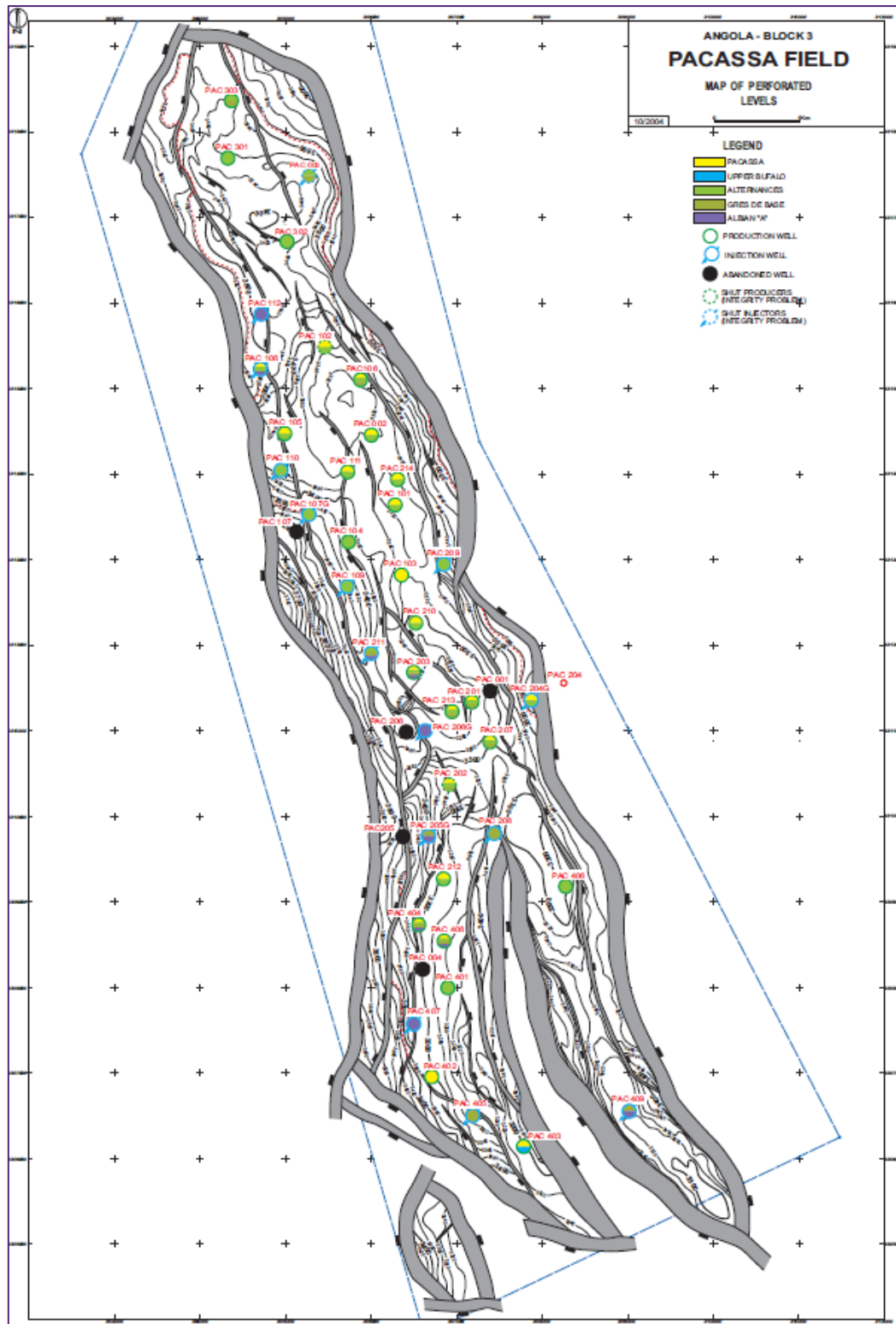


Figure 4-1: Pacassa Top Structure Depth Map (Source: Sonangol P&P)

Water injection into Pacassa peaked at ~130 Mbbl/d in August 2004. It then effectively ceased in December 2016 before being re-instated in July 2020. Since reinstatement, injection rates have been variable due to system recommissioning with an average of 17.3 Mbbl/d for the

period July 2020 to January 2022 when injection ceased for reinstatement works. Since injection recommenced in mid-2022 rates have averaged 14.7 Mbb/d with a peak monthly average rate of 36.6 Mbb/d in February 2023. Figure 4-2 presents a production history plot for the field.

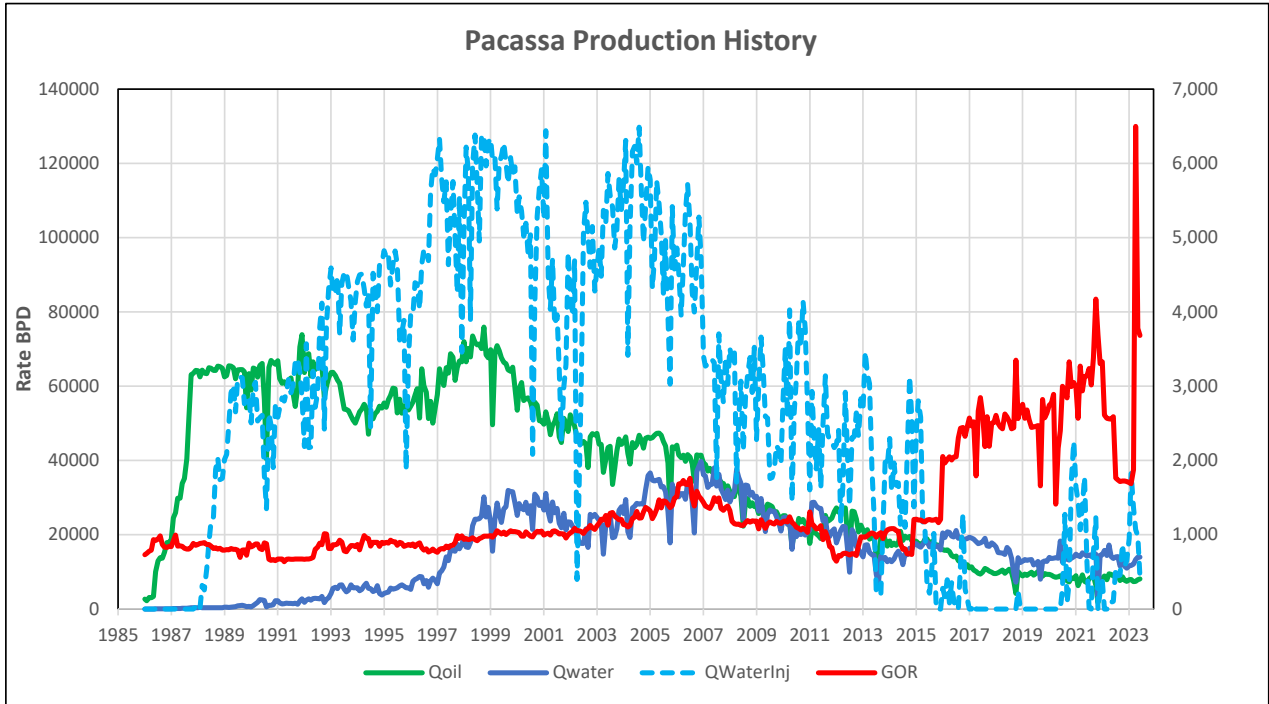


Figure 4-2: Pacassa Production History to end June 2023

4.3. Buffalo

Buffalo was discovered in 1982 with first oil in 1988 and peak production of ~24 Mbb/d in December 1989 (Figure 4-4). It is located 1.3 km east of the Pacassa field in approximately 80 m water depth. It is the fourth largest field in Block 3/05 by STOIP with an estimated in place volume of 358 MMstb reported by Sonangol P&P.

Its reservoir comprises dolomitic sandstones and dolomites of the Buffalo and Pacassa members of the Pinda formation in a NW-SE elongated raft structure along strike from the Buffalo raft block (Figure 4-3).

The Buffalo field is developed with the six slot BUF-F1 production platform. The platform contains minimal preliminary separation facilities and excess gas is flared. Water injection for the field is provided from the PAL-P2 platform via PAC-F1 and COB-P1. Production from BUF-F1 is routed to the PAC-F1 platform on the Pacassa field via a 3.9 km, 10-inch pipeline.

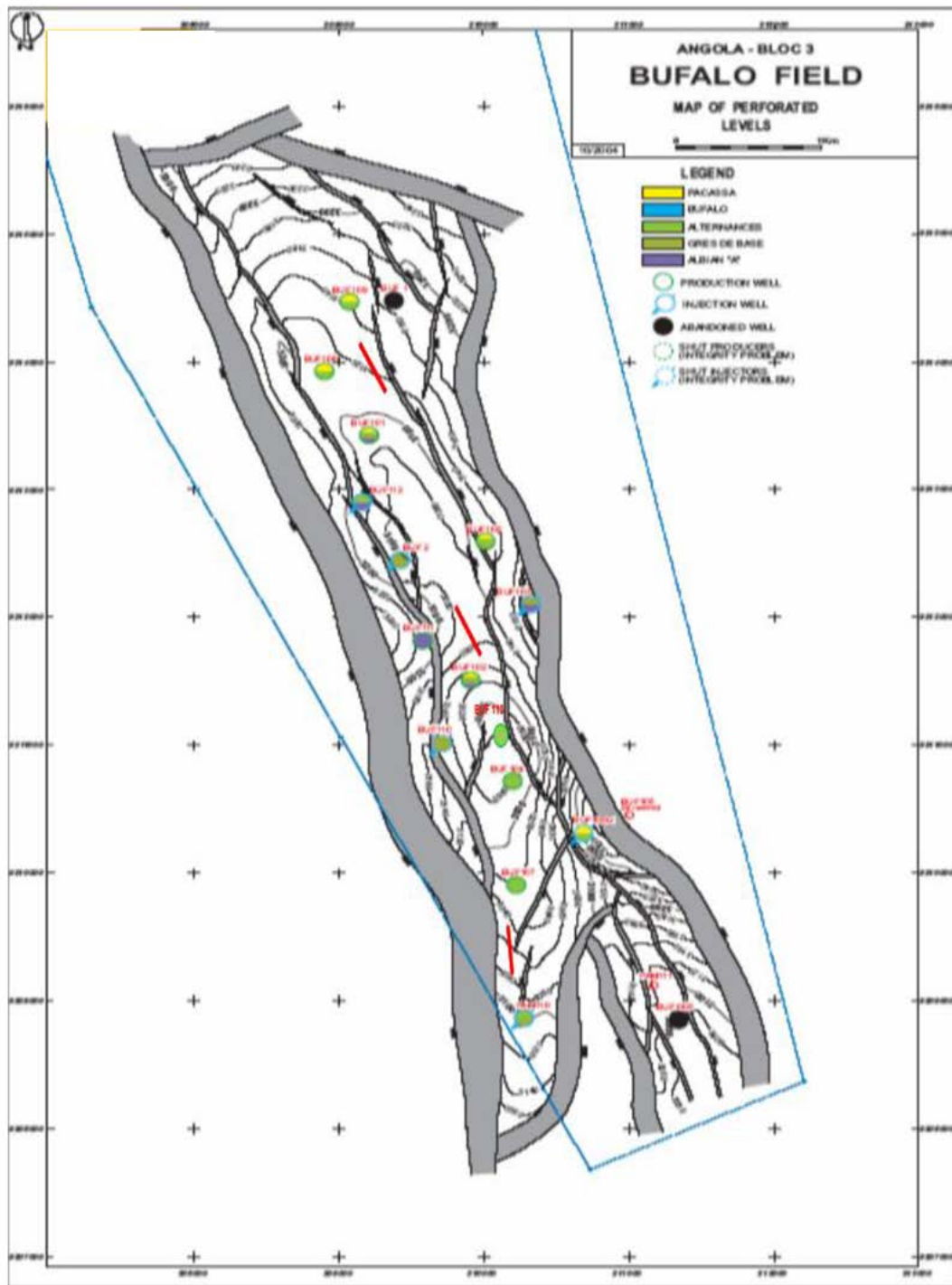


Figure 4-3: Buffalo Top Structure Depth Map (Source: Sonangol P&P)

Water injection into Buffalo peaked at ~36 Mbb/d in June 2006. It then effectively ceased in March 2017 before being re-instated in July 2020. Since reinstatement injection rates have been variable due to system recommissioning with an average of ~ 3.6 Mbb/d for the period July 2020 to January 2022 when injection ceased for reinstatement works. Since injection

recommenced in mid-2022 rates have averaged 4.0 Mbbl/d with a peak monthly average rate of 6.2 Mbbl/d in February 2023.

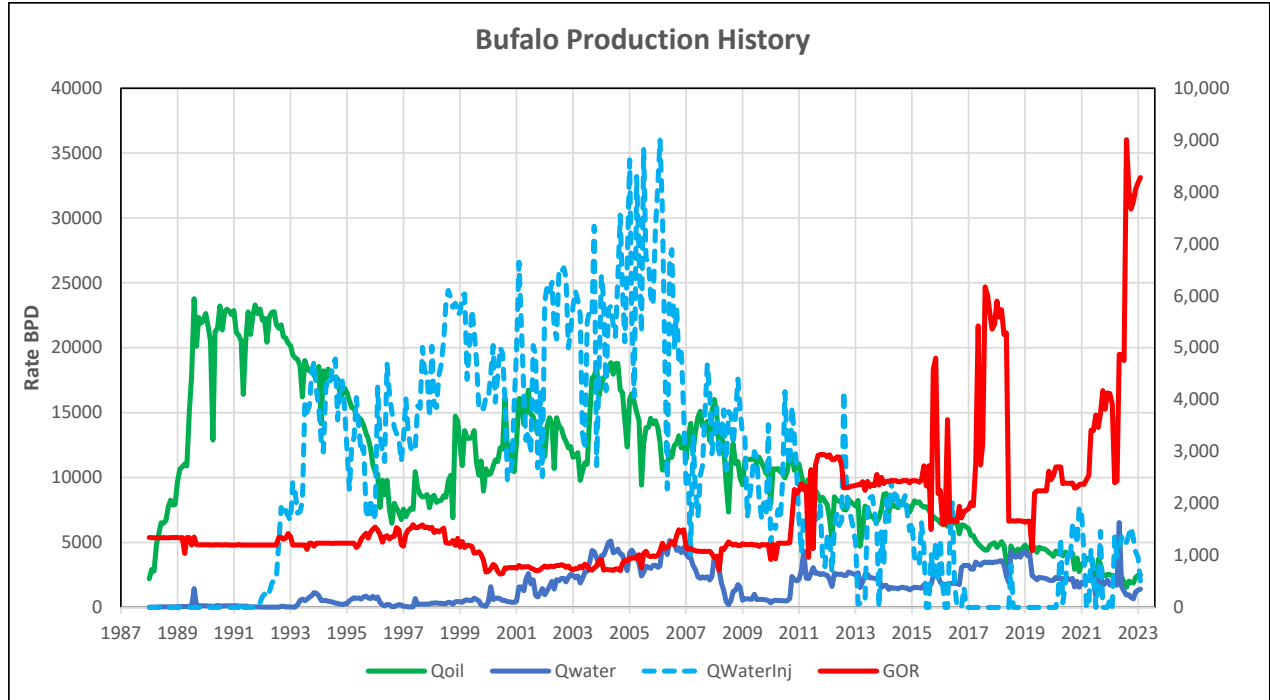


Figure 4-4: Bufalo Production History to end June 2023

4.4. Palanca

Palanca was discovered in 1981 with first oil in 1985 and peak production of ~53 Mbbl/d in January 1988 (Figure 4-5). It is located 6 km northeast of the Bufalo field in approximately 60 m water depth and is the second largest field in Block 3/05 by STOIP with a STOIP of 587 MMstb reported by Sonangol P&P.

Its reservoir comprises dolomitic sandstones and dolomites of the Bufalo and Pacassa members of the Pinda formation in a N-S elongated raft structure along the same structural trend as the Impala field.

The Palanca field is developed using Pal-P1 and PAL-P2 processing platforms which receive production streams from the Pal-F1 and Pal-F2 wellhead platforms. In addition, PAL-P1 and P2 source seawater which is filtered and distributed to the northern sector platforms (Pacassa, Impala SE, Bufalo and Palanca) and their injection wells.

Water injection into Palanca peaked at ~96 Mbbl/d in September 1991. It then effectively ceased in January 2018. Successful water injection trials were held in September and October 2021 with injection re-established in July 2022. Since then, average injection has been 3.1 Mbbl/d with a peak monthly rate of 8.3 Mbbl/d in June 2023.

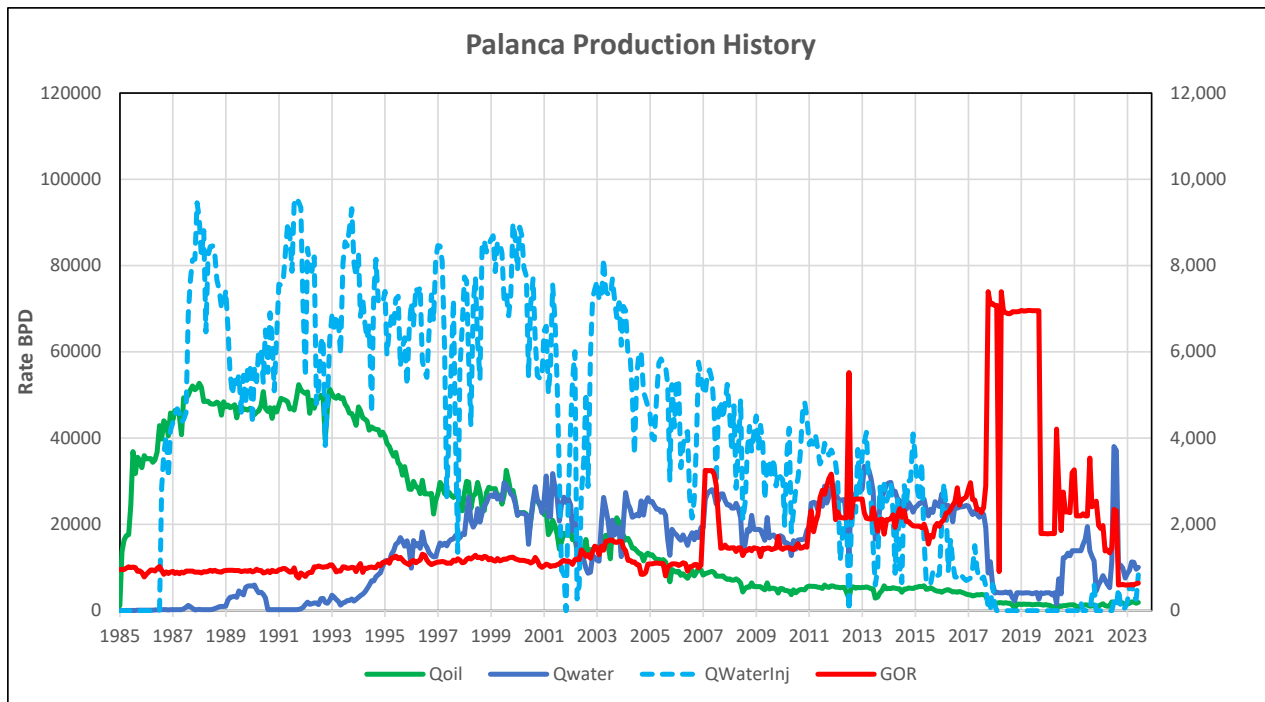


Figure 4-5: Palanca Production History to end June 2023

4.5. Impala

Impala was discovered in 1982 with first oil in 1992 and peak production of ~4.4 Mbbl/d in January 1999 (Figure 4-6). It is located 3 km south of the Palanca field in approximately 60 m water depth. Impala is the smallest field in Block 3/05 by STOIMP with an in-place volume of 60 MMstb reported by Sonangol P&P.

Its reservoir comprises dolomitic sandstones and dolomites of the Bufalo and Pacassa members of the Pinda formation in a N-S trending raft along the same structural trend as the Palanca field.

The Impala field is developed via a single production well from the IMP-F1 standalone wellhead platform. Production from IMP-F1 is routed to the Pal-P1 processing platform.

No water injection has been applied to the field. Impala has been shut-in since March 2018 but the single Well IMP-001R is forecast to be restarted in September 2023.

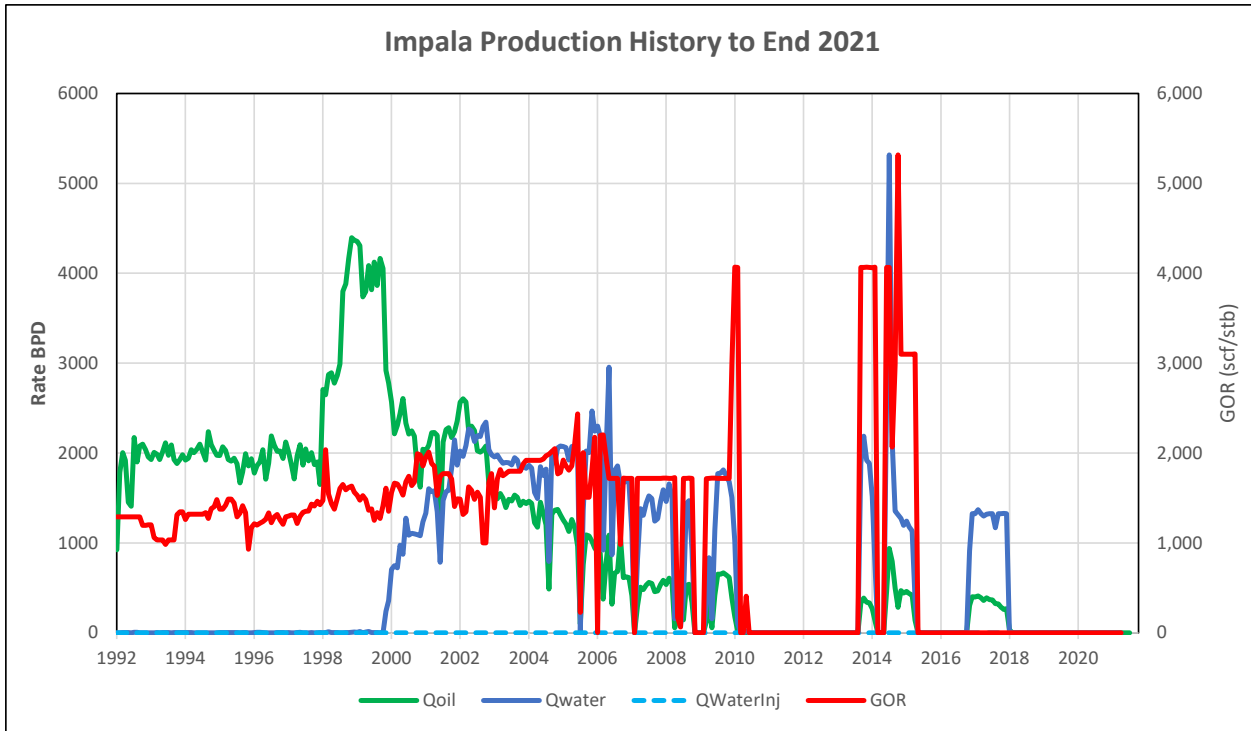


Figure 4-6: Impala Production History to End 2021

4.6. Impala South East

Impala South East was discovered in 1985 with first oil in 1988 and peak production of ~29 Mbb/d in September 1990 (Figure 4-7). It is located 4 km southeast of the Impala field in approximately 60 m water depth. It is the fifth biggest field in Block 3/05 by STOIP with an in-place volume of 320 MMstb reported by Sonangol P&P.

Its reservoir comprises dolomitic sandstones and dolomites of the Bufalo and Pacassa members of the Pinda formation in a NW-SE trending raft along the same trend as the Palanca and Impala fields.

The Impala South East field is developed via a single wellhead platform IPS-F1 with 14 wellheads and production routed to PAL-P2 for processing.

Water injection into Impala South East peaked at ~37 Mbb/d in December 1996. It then effectively ceased in June 2019 before recommencing in September 2022 at an average monthly injection rate of 4.7 Mbb/d through to June 2023.

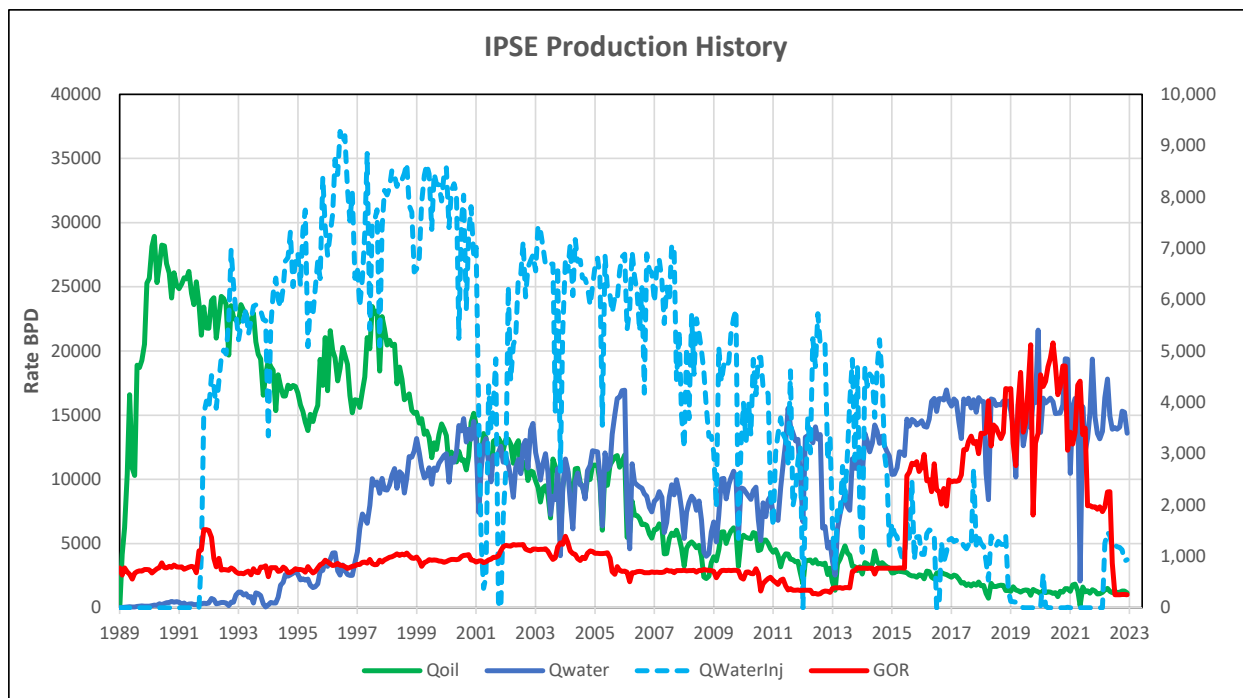


Figure 4-7: Impala SE Production History to end June 2023.

4.7. Cobo

Cobo was discovered in 1990 with first oil in 1993 and peak production of ~47 Mbbl/d in August 1996 (Figure 4-8). It is located 6 km SSE of the Bufalo field in approximately 90 m water depth. Cobo is the third largest field in Block 3/05 in terms of STOIP with an in-place volume of 396 MMstb reported by Sonangol P&P.

Its reservoir comprises mixed clastic and carbonate reservoirs of the Pinda formation. The structure is a NW-SE elongated raft block along the same structural trend as the Bufalo field.

Cobo development started in 1991 using the COB-F1 drilling platform. The field includes a central platform complex, COB-P1, which also handles production from the Pambi field wellhead platform PAM-F1 and the two Oombo field wells located to the south together with a final treatment of oil from PAC-F1. Production is exported to the Palanca terminal via a 25 km pipeline. Separated gas is mainly sent to gas lift compression and excess gas is flared at the COB-T1 flare platform.

Water injection into Cobo peaked at ~ 80 Mbbl/d in July 2001. It then became intermittent from May 2015 and effectively ceased completely in November 2016¹⁴. Intermittent re-injection has been re-established in Cobo since July 2022 with a peak monthly average rate of 5.2 Mbbl/d achieved.

¹⁴ Further injection is recorded in November 2018 for one month, and from April to June 2019 for three months.

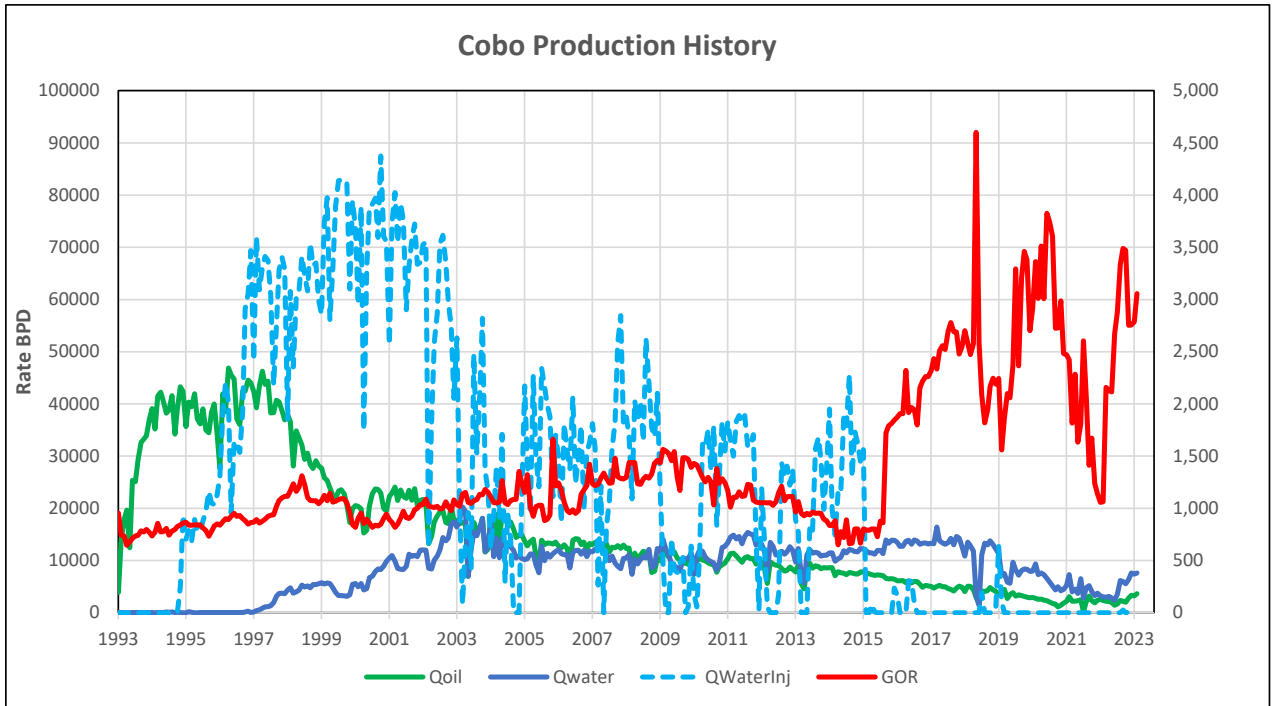


Figure 4-8: Cobo Production History to end June 2023

4.8. Pambi

Pambi was discovered in 1990 with first oil in 1995 and peak production of ~29 Mbbl/d in October 1997 (Figure 4-9). It is located 3.5 km SSE of the Bufalo field in approximately 85 m water depth. It is the sixth largest Block 3/05 field in terms of STOIP with an in-place volume of 170 MMstb reported by Sonangol P&P.

Its reservoir comprises mixed clastic and carbonate reservoirs of the Pinda formation. The structure is a NW-SE elongated raft block along the same structural trend as the Bufalo field.

Pambi is developed by means of the twelve-slot wellhead platform PAM-F1 where Pambi oil is gathered and routed for processing to the Cobo central platform complex COB-P1.

Water injection into Pambi peaked at ~40 Mbbl/d in June 1997 and then effectively ceased in December 2016. Water re-injection started again in May 2022 with an average rate of 0.7 Mbbls/d and then peaked at 5.3 Mbbl/d in July 2022. Injection then ceased again in August 2022 with a recorded rate of 0.1 Mbbl/d and has been intermittent since then.

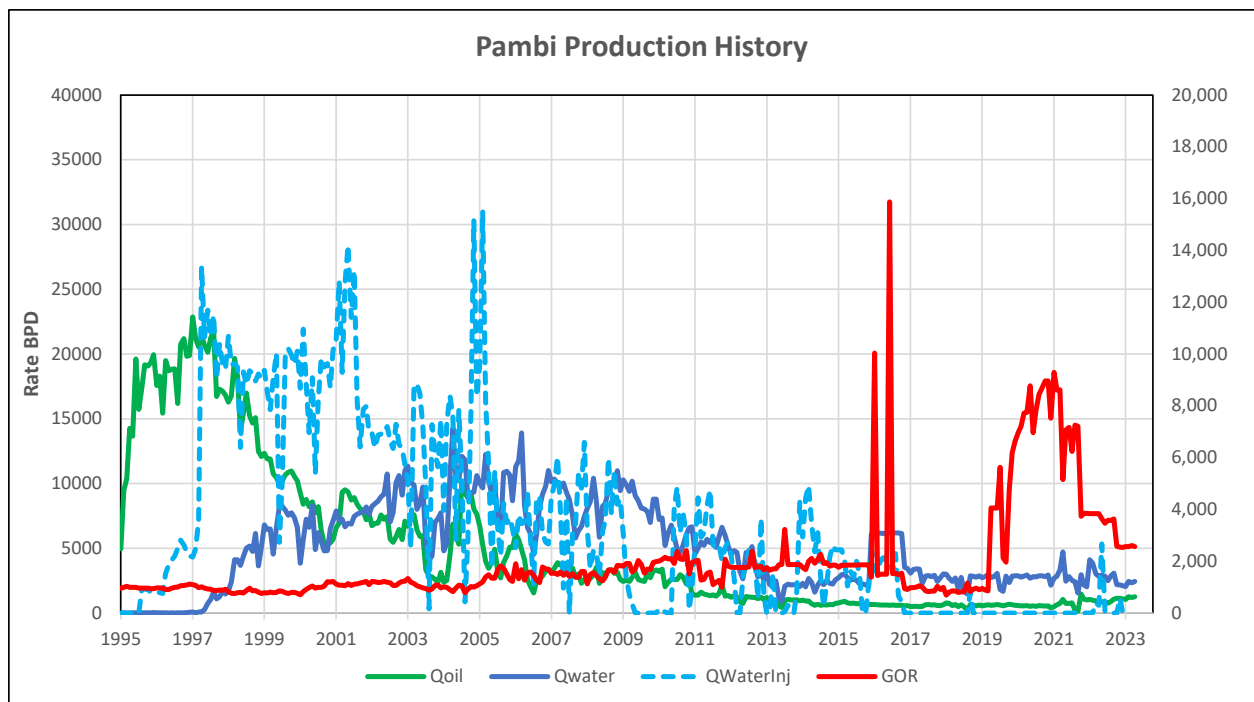


Figure 4-9: Pambi Production History to end June 2023

4.9. Oombo

Oombo was discovered in 1992 with first oil in 1997 and peak production of ~22 Mbb/d in May 2001 (Figure 4-10). It is in the southeast of Block 3/05 some 3.5 km south of the Cobo field in approximately 100 m water depth. Oombo is the seventh largest Block 3/05 field by STOIP with an in-place volume of 163 MMstb reported by Sonangol P&P. Cumulative production to the end of June 2023 was ~69 MMstb giving a recovery factor ("RF") of 42 %.

Its reservoir comprises mixed clastic and carbonate reservoirs of the Pinda formation in a NW-SE trending raft structure along the same structural trend as the Impala and Palanca fields.

Oombo is developed by means of subsea wells tied back to the Cobo central platform complex COB-P1.

Water injection into Oombo peaked at ~41 Mbb/d in September 2012 and then gradually declined until ceasing in March 2017 before being re-established in May 2022. Water injection since then has averaged about 2.2 Mbb/d with a peak of 6.2 Mbb/d in July 2022.

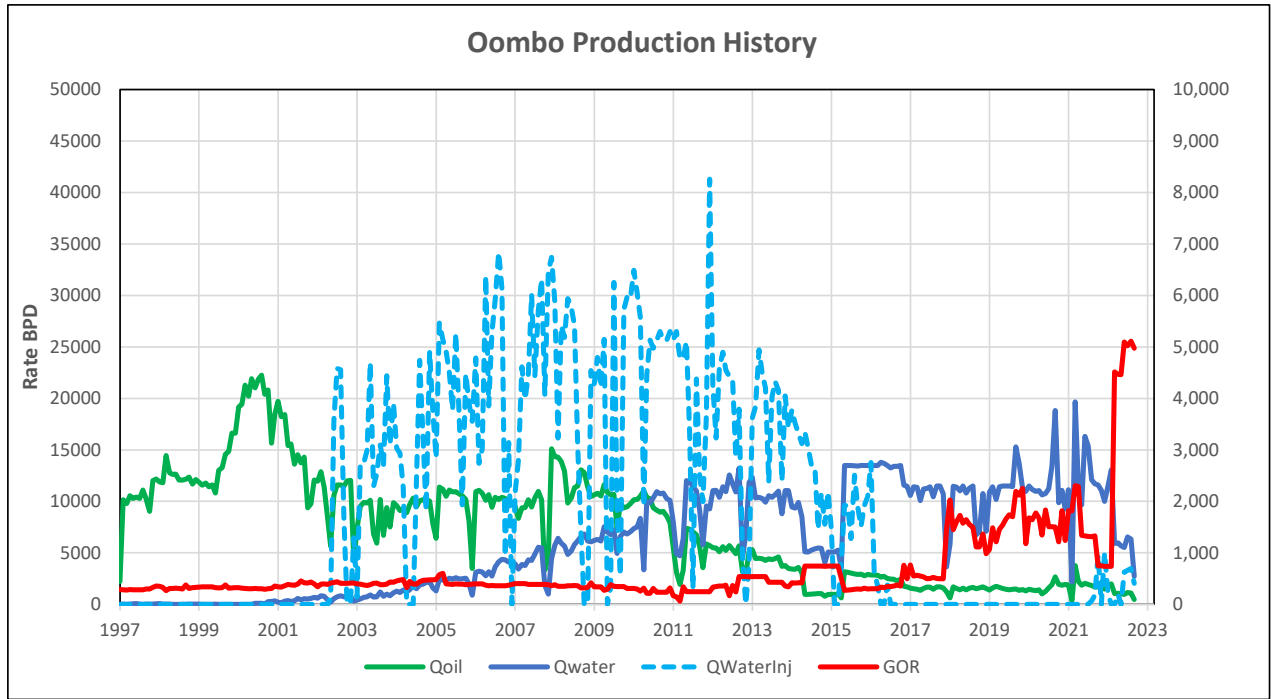


Figure 4-10: Oombo Production History to end June 2023

5. Reserves, Production and Cost Profiles

5.1. Overview of Projects

Reserves within Block 3/05 have been assigned to the following currently underway or approved projects:

- Producing fields, No Further Activity (“NFA”)
- Water injection restoration
- Workovers on three Palanca F2 platform wells
- Impala well IMP-001R restart
- Light Well Interventions (“LWI”)

Impala is developed by a single production well (Well IMP-001-R) and no water injection wells. Well IMP-001-R has been shut-in since March 2018, but activities are planned to remediate the well and restart production in September 2023. Reserves have been assigned the operational status of Undeveloped. NFA forecasts have been derived for each producing field. The NFA forecast for Palanca includes two producers from the Palanca F2 platform that were restored to production in September 2021 and May 2022 respectively. NFA Reserves have been assigned the operational status of Developed Producing.

The restoration of water injection in all the Block 3/05 fields, except for Impala which does not have an injection well, commenced in May 2022. Average injection in the first half of 2023 has been 38.0 Mbb/d with a peak monthly rate of 53.2 Mbb/d in February 2023. Reserves associated with water injection restoration have been assigned the operational status of Undeveloped while injection ramp up is underway.

The Palanca F2 (PAL-F2) platform is a standalone wellhead platform which gathers and routes fluids to the PAL-P1 processing platform. It has 13 wellheads (10 producers and 3 injectors) and a test separator. PAL-F2 was shut-in late 2017 due to damage arising from a fire. Platform restoration activities are complete which allowed the platform to be recommissioned in Q4 2021. Well PAL-207N was brought back on production in September 2021 and PAL-205 N in May 2022. ERCE’s Palanca NFA forecast includes both Wells PAL-207N and PAL-205N. Reserves for the remaining three producers that are still to be reinstated through workovers, have been assigned the operational status of Undeveloped.

5.2. Reserves Estimation and Production Forecasts

5.2.1. Developed Producing: No Further Activity (NFA)

Methodology

Estimates of NFA production forecasts and technically recoverable resources (“TRR”)¹⁵ for the Developed Producing fields were derived using a combination of DCA and water-cut trend analysis. These estimates were then reconciled with the Operator’s estimates of STOIP and aggregated deterministically to give the block level production forecasts and Reserves. ERCE’s estimate of TRR for Developed Producing does not include the benefits of water injection.

Water injection was reinstated into the Pacassa and Bufalo fields in July 2020. Reinstatement works from July 2021 to April 2022 resulted in intermittent injection into both fields. Since May 2022 water injection has been re-established in all fields except for Impala which does not have an injection well. The focus of injection has been Pacassa and Bufalo with the other fields seeing more intermittent injection as the overall system injection capacity has been ramped up. During 2022 power supply and distribution emerged as a bottleneck rather than pump capacity. The Operator has consequently been working to improve power supply efficiency across all facilities and, in turn, water injection uptime. A leak occurred in the flowline network in February 2023 as injection increased to its highest average monthly rate since reinstatement of 53 Mbb/d. Injection has subsequently been limited pending leak repair in the second half of 2023.

There have been numerous LWIs carried out in the field during 2023 which have provided an uplift in oil production. There are insufficient data to determine whether any of this uplift is due to water injection in the fields to date. Since ERCE does not forecast a production uplift from water injection until 2025, ERCE has assumed that all the production uplift observed in the fields is due to the LWI activities carried out in the last six months.

Figure 5-1 shows the consolidated gross best-case oil NFA production forecasts for all the Block 3/05 producing fields. Also shown are the NFA Low, Best, and High estimates of cumulative oil recovery versus time.

¹⁵ Technically recoverable resources, TRR, are those quantities of oil estimated to be recovered from the effective date of 30 June 2023 to the end of the licence period at 31 December 2040 without economic cut offs being applied.

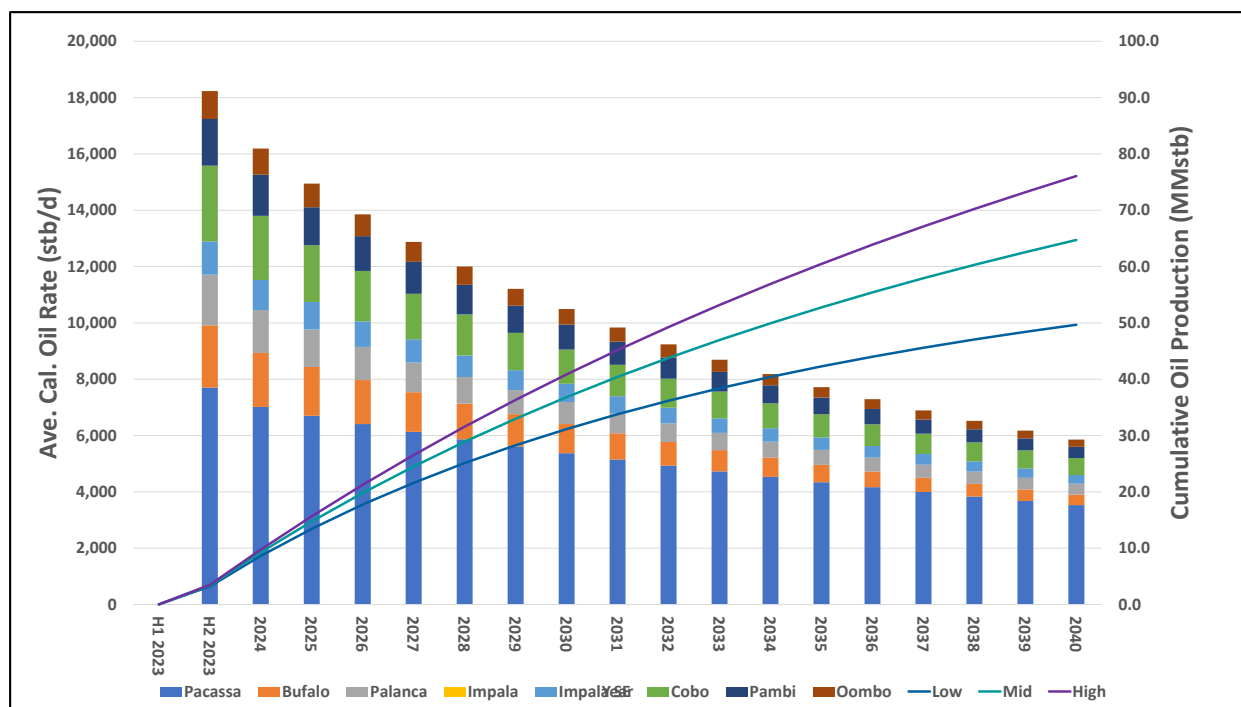


Figure 5-1: Block 3/05 Best Case NFA Oil Production Forecast

The gross Developed Producing TRR estimates by field are presented in Table 5-1.

Table 5-1: NFA Gross TRR Estimates and Recovery Factors by Field to End 2040

Field	STOIIP	Cum. Prod. at end June 2023	RF at End June 2023	NFA Gross TRR Estimate (MMbbl)			TRR best est. Recovery Factor (RF)
	MMstb			MMbbl	Low	Best	
Pacassa	1103	510	46%	27.8	32.8	36.4	49%
Bufalo	358	141	40%	4.1	6.3	8.1	41%
Palanca	587	276	47%	3.6	5.1	6.1	48%
Impala	60	12	19%	0.0	0.0	0.0	19%
Impala SE	320	123	38%	2.7	4.0	4.9	40%
Cobo	396	170	43%	5.2	7.8	9.6	45%
Pambi	170	52	31%	3.8	5.4	6.7	34%
Oombo	163	69	42%	2.5	3.4	4.2	45%
Block 3/05	3157	1354	43%	49.7	64.7	76.1	45%

Notes

1. Cumulative field oil production (“Cum Prod”) is based on actuals to end June 2023.
2. TRRs are estimated assuming an effective date of 30 June 2023 and licence expiry of 31 December 2040.
3. TRRs are reported as Low, Best, High since they are prior to economic cut off.
4. The Pacassa STOIIP used for estimation of the recovery factor (“RF”) is from the 2021 modelling study and excludes volumes associated with the Pacassa SW prospect.
5. The Oombo STOIIP used for RF estimation is from the 2021 modelling study.

5.2.2. Undeveloped: Water Injection Restoration

Methodology

The limited water injection that has occurred into the fields in the past eight years means that current field and well performance trends cannot be used to forecast the benefits of water injection. There is a lack of recent reservoir pressure measurements and a sparsity of current reservoir simulation models with which to estimate future oil production. As a result, there is considerable uncertainty as to the current level of depletion of each field below the bubble point pressure and hence the timing and quantities of increased oil production that is expected to occur once water injection re-commences and the reservoirs are re-pressurised.

Challenges have occurred in the re-instatement of water injection as noted in Section 5.2.1. As of June 2023, there were four out of nine water injection pumps available, two each in the Palanca and Cobo sectors, with a combined injection capacity of ~193 Mbb/d. This is expected to increase to ~271 Mbb/d by the end of 2023 as two further pumps, one each in the Palanca and Cobo sectors, are returned to service following completion of ongoing works. Total pump capacity is expected to further increase to ~ 326 Mbb/d by the beginning of 2025 when one additional pump in the Palanca sector is brought back online by the Operator. Future increases in pump capacity beyond this level are potentially available if required.

Assuming that the available pumps are run at 50% capacity to allow for operational redundancy this would result in ~160 Mbb/d of injection being available by 2025.

The higher the sustained rate of water injection, the higher will be the recovery of additional oil. The resilience of the water injection system to sustained higher rates and pressures is still untested. ERCE has therefore adopted a range of long-term water injection rates in its assessment of Undeveloped water injection Reserves. ERCE has also adapted the Operator's planned water injection schedule to reflect the difficulties reinstating the water injection system that have been encountered so far. The annual average water injection rates assumed by year for ERCE's Low, Best, and High forecasts of Undeveloped water injection Reserves are set out in Table 5-2.

Table 5-2: ERCE Water Injection Rate Assumptions

Year	Low	Best	High
	Mbb/d	Mbb/d	Mbb/d
2H 2023	40	48	60
2024	52	85	111
2025	96	121	152
2026 and after	120	136	152

ERCE's estimates of Undeveloped oil Reserves for water injection in each field have been guided by consideration of the results from the 2019 simulation study on the Cobo-Pambi

fields^{16, 7}. ERCE has derived a function of cumulative incremental oil production as a fraction of STOIP versus cumulative water injection as a fraction of STOIP from the Cobo-Pambi simulation model. This function has then been used to derive the incremental oil production under water injection to other fields based on their STOIP and water injection schedule. Adjustments were made to the function to reflect other variations on a field basis where appropriate, including differences in current recovery factors and levels of water cuts.

Uncertainty

The range of uncertainty associated with the estimated recoverable quantities of oil and the rate of future oil production from the restoration of water injection in each field is wide. Although water injection should result in a positive benefit, the quantum in any field and for Block 3/05 in total is subject to considerable uncertainty.

Due to their limited recent injection the Block 3/05 fields are almost certainly below their bubble point pressures as evidenced by their recent increases in GOR. There are only sparse recent pressure data available to understand reservoir pressure conditions. A key forecasting uncertainty is the degree to which free gas may be present within fields or regions of fields, and how such free gas will impact the response of fields to water injection while re-pressurisation occurs, both in terms of the quantum of oil recovery and its incremental production rate.

Other uncertainties include:

- the lack of recently calibrated forecast models,
- how predictive the modelled Cobo-Pambi water injection response will be in the different Block 3/05 fields and in the different regions of the Block 3/05 fields,
- whether the water injection response in particular fields or field areas will be dominated by local heterogeneities rather than field level behaviours,
- how important the well production-injection patterns are in determining recovery,
- and the potential impact of well and water injection system availability, noting that both Pacassa and Bufalo have already seen injection at rates the same or like their future planned rates.

Upsides include the expectation that over time as new reservoir monitoring data are acquired and reservoir modelling undertaken, that the behaviours of the fields and field areas to water injection will become progressively better understood. New predictive models, in conjunction with the significant existing well stock in each field, may then allow scope for water flood recovery optimisation.

¹⁶ A simulation model study of the Pacassa field in 2021 has not been relied upon due to a poor history match towards the end of the history matched production period. A simulation model study of the Oombo field in 2021 has not been relied upon due to the large uncertainties in the results arising from the lack of measured field data to support any modelling work.

These uncertainties have been reflected in the Low and High case forecasts.

Results

Figure 5-2 shows the consolidated best case water injection incremental oil production forecasts along with the Low, Best and High forecasts of cumulative oil recovery.

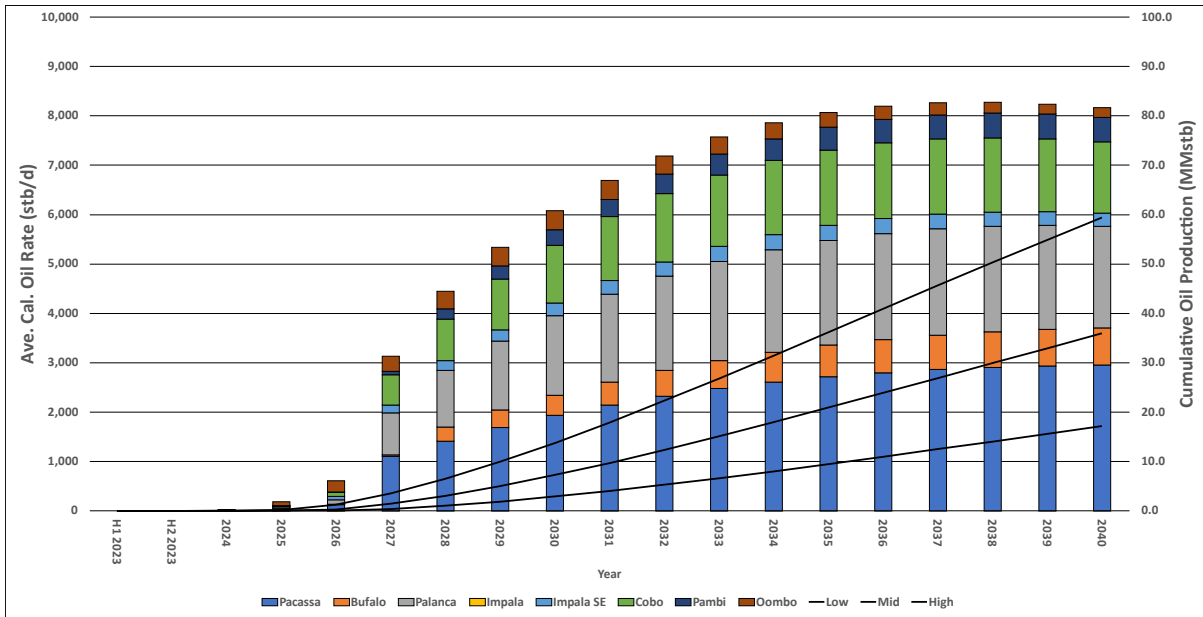


Figure 5-2: ERCE Best Case Water Injection Incremental Production Forecast

The gross Undeveloped TRR estimates from water injection are presented in Table 5-3.

Table 5-3: Water Injection Restoration Gross Field TRR Estimates to End 2040

Field	WI Restoration Gross TRR (MMbbl)		
	Low	Best	High
Pacassa	5.8	12.1	20.2
Bufalo	0.9	2.7	4.7
Palanca	4.6	9.3	15.3
Impala	0.0	0.0	0.0
Impala SE	0.7	1.4	2.3
Cobo	3.3	6.7	10.9
Pambi	0.9	2.0	3.4
Oombo	0.9	1.7	2.6
Block 3/05	17.2	35.9	59.4

Notes

1. TRRs are estimated assuming an effective date of 30 June 2023 and licence expiry of 31 December 2040.
2. TRRs are reported as Low, Best, High since they are prior to economic cut off.

5.2.3. Undeveloped: Palanca F2 Platform Workovers

The PAL-F2 platform was shut-in late 2017 due to damage arising from a fire. Platform restoration activities are complete which allowed the platform to be recommissioned in Q4 2021. Well PAL-207N was brought back on production in September 2021 and Well PAL-205N in May 2022 (both included in the NFA TRR). Heavy Workovers (HWO) for three additional wells are forecast to be carried out in 2025 (Wells PAL-109N, PAL-201N and PAL-202N).

Based on the performance of the producing wells as well as the recently restarted Well PAL-207N, we have generated type curves (Low, Best, and High) to estimate the production from the workovers of the three wells.

The gross Undeveloped TRR estimates are presented in Table 5-4.

Table 5-4: PAL F2 Platform HWO Gross TRR Estimate to End 2040

Project	Gross TRR Estimate (MMbbl)		
	Low	Best	High
Palanca-F2 HWO	3.9	5.7	7.2

Notes

1. TRRs are estimated assuming an effective date of 30 June 2023 and licence expiry of 31 December 2040.
2. TRRs are reported as Low, Best, High since they are prior to economic cut off.

5.2.4. Undeveloped: Well Impala IMP-001R Restart

Well IMP-001R has been shut-in since March 2018 but activities are planned to remediate the well and restart production in September 2023. The historical performance of the well has been analysed to generate Low, Best and High production forecasts for the restart.

The gross Undeveloped TRR estimates for the restart of Well Impala IMP-001R are presented in Table 5-5.

Table 5-5: Well IMP-001R Restart TRR Estimate to End 2040

Well	Gross TRR Estimate (MMstb)		
	Low	Best	High
IMP-001R	0.4	0.9	1.2

Notes

1. TRR are estimated assuming an effective date of 30 December 2023 and licence expiry of 31 December 2040.
2. TRR are reported as Low, Best, High since they are prior to economic cut off.

5.2.5. Undeveloped: Light Well Interventions

Afentra has provided the Operator's 2023 programme of LWIs . These Interventions comprise of acidising, gas lift optimisation, water shut offs and adding additional perforations in a proposed total of 38 wells.

ERCE has assessed incremental volumes and rates based on analogue operations on the same or similar wells and an assumed chance of operational success from 20 to 30%.

The gross Undeveloped TRR estimates for the combined 2023 programme are presented in Table 5-6.

Table 5-6: LWI Gross TRR Estimates (MMstb)

Activity	Gross TRR Estimate (MMstb)		
	Low	Best	High
LWI	2.0	2.3	2.6

Notes

1. TRR are estimated assuming an effective date of 30 June 2023 and licence expiry of 31 December 2040.
2. TRR are reported as Low, Best, High since they are prior to economic cut off.

5.2.6. Reserves Summary

A summary of Block 3/05 gross oil Reserves at the 1P, 2P, and 3P confidence levels after economic modelling and application of ELTs as described in Section 7 is presented in Table 5-7.

Table 5-7 : Block 3/05 Oil Reserves Attributable to Afentra as of 30 June 2023

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	14.9	19.4	22.8	11.2	13.5	14.2	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	5.1	10.8	17.8	3.9	5.9	8.5	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	1.2	1.7	2.2	0.9	1.1	1.2	Sonangol P&P
Light Well Interventions (LWI) Program	2.0	2.3	2.6	0.6	0.7	0.8	0.4	0.4	0.5	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.1	0.3	0.3	0.1	0.1	0.2	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	7.0	13.4	21.1	5.3	7.6	10.3	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	21.9	32.9	43.9	16.6	21.1	24.4	Sonangol P&P

Notes

1. The Effective Date is 30 June 2023.
2. Reserves are based on a licence expiry of 31 December 2040.
3. The net entitlement Undeveloped Reserves for the Palanca F2 platform workovers, the 2023 Light Well Interventions, and the Impala Well IMP-001R restart projects have been determined on an incremental basis to the combined NFA plus Water Injection projects.
4. Reserves attributed to water injection restoration have been classified as Undeveloped at this point while ramp up of the water injection system is underway.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1P and less than a 10% chance of exceeding the Total 3P.
6. Afentra Working Interest Reserves comprise the gross Reserves multiplied by Afentra's 30.00% Working Interest in Block 3/05 after completion of the Transactions.
7. Afentra Net Entitlement Reserves are that portion of the future production (and thus Reserves) accruing to Afentra, based on its share of total cost and profit revenues calculated under the terms of the licence agreement.
8. This table shows Reserves associated with both the Sonangol P&P, Azule, and INA transactions. Reserves associated with each of the transactions individually may be found in Appendices 3, 4, and 5.

5.3. Development Plans and Cost Estimates

ERCE has prepared cost forecasts to support the production profiles for the planned projects, based on data and information provided by Afentra, including:

- Operator's long term cost forecasts (5 years' look ahead from 2023 to 2027).
- Near term Operator budgets.
- Historical actual costs.

- Partner committee meetings including OCM's, TCM's, FCM's and CCMs¹⁷;

Costs have been broken down into the following categories: CAPEX; OPEX and ABEX¹⁸.

Capital costs include drilling and facilities costs, along with general capital costs, which the Operator refers to as common costs within budgeted documentation. Common capital costs include, but are not limited to, activities such as power regeneration, personnel costs, facilities repair, and integrity management.

Operating costs include field specific costs, along with general operating costs, referred to by the Operator as common costs within budgeted documentation. Common operating costs include, but are not limited to, logistics and transportation, accommodation, maintenance, and inspection activities.

Abandonment plans have been provided by the Operator, which include rig-less well abandonment, jacket/ topside removal, pipeline, and flowline abandonment, mooring system abandonment and Palanca terminal and export buoy removal.

5.3.1. Developed Producing: No Further Activity

There are no drilling related activities carried within the NFA profiles. A cost of \$130.1 MM (Real 2023) has been included in 2030 for dry-docking of the Palanca FSO, to carry out activities relating to the maintenance and upgrades of the FSO. This estimate is based on a previous dry-docking process carried out in 2012 at the Sembaweng shipyard. The production impact is anticipated to be minimal due to the plan to have a replacement FSO on station during the dry-docking process.

Further capital costs carried within the NFA profiles relate to the common costs presented within the Operator's budgets. The common capital costs presented within budgeted documentation has been reviewed and benchmarked against West African Offshore developments. The common capital costs for Block 3/05 presented in the Operator's recent five-year lookahead forecast are considered reasonable. These costs are carried within the profiles on a pro rata production basis between Developed and Undeveloped projects.

The operating costs carried by the Operator within budgeted documentation have been reviewed and benchmarked against ERCE's internal database. The costs presented in the Operator five-year plan are within expectations when compared to benchmarks. ERCE has applied a 3% per annum decline to operating costs from 2028 onwards to account for reducing OPEX as the fields mature. Operating costs have been carried on a pro rata of production basis within the profiles, between Developed and Undeveloped projects.

¹⁷ Operating Committee Meetings ("OCM"), Technical Committee Meetings ("TCM"), Contractor Committee Meetings ("CCM") & Finance Committee Meetings ("FCM").

¹⁸ Capital expenditure ("CAPEX"), Operating expenditure ("OPEX") and Abandonment expenditure ("ABEX").

Documentation provided relating to the abandonment plans of Block 3/05 has been reviewed. The Operator's abandonment plans include costs for well abandonment and facilities decommissioning. ERCE has carried out benchmarking exercises for the wells and facilities abandonment expenditure and has estimated a total abandonment expenditure of \$744.6 MM (Real 2023), which includes costs for well abandonment, topsides and jackets removal and pipeline decommissioning. The actual date of abandonment will be determined by operating and commercial considerations at the time.

5.3.2. Undeveloped Projects

As per the methodology in the NFA case, operating costs and common capital costs have been carried on a pro rata of production basis for all Undeveloped projects.

A Light well intervention (LWI) campaign is planned to be carried out by the Operator in 2023. Approximately 38 LWI's are forecasted to be carried out with 24 complete by end July, with a remaining second half 2023 cost forecast of approximately \$11.8 MM. The CAPEX estimates for these workovers presented by the Operator are considered reasonable, based on ERCE's experience of workover campaigns within the West African region, thus ERCE aligns accordingly.

The reinstatement of Well IMP-001R requires a light well intervention to bring the well back online. There are no capital costs associated with this workstream; costs have been included within operating costs.

The Pal F2 platform restoration work has been completed and the platform brought back online in October 2021. Most of the future capital costs going forward relate to the three heavy workovers planned in 2025 to bring wells back online, at a cost of approximately \$10 MM per workover. The CAPEX estimates presented by the Operator are considered reasonable, based on ERCE's experience of workover campaigns within the West African region, alongside internal benchmarking exercises carried out, thus ERCE aligns accordingly.

Since injection reinstatement in mid-2022 there have been issues with the water injection system which has impacted the ramp up of injection. In the second half of 2022, there were power supply issues which have since been resolved. A leak in the 10" subsea water injection line between the IPS-F1 and PAC-F3 platforms was discovered in February 2023. The ROV operations and root cause analysis suggests that the pipe supports had collapsed which overstressed the flange, causing it to leak. The estimated time for repair completion is the second half of 2023 at a cost of approximately \$6 to \$7MM which is included in the revised 2023 budget.

The water injection reinstatement project assumes a total of seven pumps will be used, three pumps with an injection capacity of 60 Mbb/d, two pumps with an injection capacity of 55 Mbb/d, and two pumps with an injection capacity of 18 Mbb/d. Pump replacement costs are included within the profiles to account for pump replacement and repair activities. ERCE carries an assumption of two pumps requiring interventions per annum, at a cost of \$500,000

per repair. This amounts to an additional cost of \$1 MM per annum, which has been accounted for within the operating costs.

5.4. Summary Cost and Production Profiles

Summary tables showing the Block 3/05 gross Developed and Undeveloped production and cost profiles at 1P, 2P, and 3P levels of uncertainty are shown in Table 5-8 and Table 5-9.

Table 5-8: Block 3/05 Gross Developed Profiles

Year	Block 3/05 Gross Developed											
	1P				2P				3P			
	Production Mstb/d	CAPEX \$MM	OPEX \$MM	ABEX \$MM	Production Mstb/d	CAPEX \$MM	OPEX \$MM	ABEX \$MM	Production Mstb/d	CAPEX \$MM	OPEX \$MM	ABEX \$MM
2023	17	15	88	-	18	15	88	-	19	15	87	-
2024	15	22	160	-	16	22	159	-	17	22	158	-
2025	13	22	155	-	15	21	152	-	16	21	149	-
2026	12	21	146	-	14	20	142	-	15	18	126	-
2027	11	20	141	-	13	17	123	-	14	15	108	-
2028	10	-	125	-	12	-	110	-	14	-	96	-
2029	9	-	115	-	11	-	100	-	13	-	87	-
2030	8	130	106	-	10	130	92	-	12	130	79	-
2031	7	-	97	-	10	-	84	-	12	-	73	-
2032	7	-	90	-	9	-	78	-	11	-	67	-
2033	6	-	83	-	9	-	72	-	11	-	63	-
2034	6	-	77	-	8	-	67	-	10	-	59	-
2035	5	-	71	-	8	-	63	-	10	-	55	-
2036	5	-	66	-	7	-	59	-	9	-	52	-
2037	4	-	61	-	7	-	55	-	9	-	50	-
2038	4	-	59	-	7	-	52	-	9	-	47	-
2039	4	-	56	-	6	-	49	-	8	-	45	-
2040	3	-	52	-	6	-	46	-	8	-	43	-
2041	-	-	-	745	-	-	-	745	-	-	-	745
2042	-	-	-	-	-	-	-	-	-	-	-	-
Total (MMstb / Bscf / \$)	49.7	229.4	1747.1	744.6	64.7	225.8	1591.0	744.6	76.1	220.6	1444.5	744.6

Notes

1. The production and costs are shown point forward of the Effective Date of 30 June 2023.
2. All costs are real 2023.
3. The 2030 cost of \$130.1 MM relates to the dry docking of the Palanca FSO.

Table 5-9: Block3/05 Gross Developed plus Undeveloped Profiles

Block 3/05 Gross Developed + Undeveloped												
Year	1P				2P				3P			
	Production	CAPEX	OPEX	ABEX	Production	CAPEX	OPEX	ABEX	Production	CAPEX	OPEX	ABEX
	Mstb/d	\$MM	\$MM	\$MM	Mstb/d	\$MM	\$MM	\$MM	Mstb/d	\$MM	\$MM	\$MM
2023	18	27	92	-	19	27	92	-	20	27	92	-
2024	16	51	177	-	18	51	177	-	19	51	177	-
2025	15	81	175	-	17	81	175	-	19	81	175	-
2026	14	51	175	-	17	51	175	-	21	51	175	-
2027	13	51	175	-	18	51	175	-	23	51	175	-
2028	13	-	170	-	18	-	170	-	24	-	170	-
2029	12	-	165	-	18	-	165	-	25	-	165	-
2030	12	130	160	-	18	130	160	-	25	130	160	-
2031	11	-	155	-	18	-	155	-	25	-	155	-
2032	11	-	150	-	18	-	150	-	25	-	150	-
2033	11	-	146	-	17	-	146	-	25	-	146	-
2034	10	-	141	-	17	-	141	-	24	-	141	-
2035	10	-	137	-	17	-	137	-	24	-	137	-
2036	9	-	133	-	16	-	133	-	24	-	133	-
2037	9	-	129	-	16	-	129	-	23	-	129	-
2038	8	-	125	-	16	-	125	-	22	-	125	-
2039	8	-	122	-	15	-	122	-	22	-	122	-
2040	8	-	118	-	15	-	118	-	21	-	118	-
2041	-	-	-	745	-	-	-	745	-	-	-	745
2042	-	-	-	-	-	-	-	-	-	-	-	-
Total (MMstb / Bscf / \$)	73.1	390.7	2644.4	744.6	109.5	390.8	2644.4	744.6	146.5	390.8	2644.4	744.6

Notes

1. The production and costs are shown point forward of the Effective Date of 30 June 2023.
2. All costs are real 2023.

6. Contingent Resources

6.1. Overview of Activities

Contingent Resources have been assigned within Block 3/05 to the following projects:

- Two infill wells in Impala South East (IPSE)
- An infill well in Palanca
- An infill well in Impala
- Cobo workovers to the labe formation
- Volumes beyond licence expiry

The infill wells in Impala South East, Palanca, and Impala are work commitments as part of the Block 3/05 licence extension to December 2040, and target regions within these fields that are currently interpreted as being inefficiently drained by existing wells. Although their general target areas have been identified, the Operator plans future technical work including re-interpretation of the existing seismic datasets and ongoing field performance monitoring and modelling to define their precise locations, final volumes, operational plans, costs, and timings prior to approvals. They have been assigned the Contingent Resources status of Development Pending.

The Cobo workovers to the labe formation target a reservoir which is present in multiple fields but is not currently on production. A well test has confirmed that rates can be achieved in the Cobo field, with the project being assigned the Contingent Resources status of Development Unclarified.

The volumes beyond licence expiry are based on forecast field production beyond December 2040 assuming a further licence extension is obtained to produce these volumes. They have been assigned the Contingent Resources status of Development Not Viable.

Additional Block 3/05 potential opportunities have also been identified by the Operator. These have not been assessed at this time and are subject to further work. These include potential infill drilling into the northern area of the Bufalo field, potential Oombo redevelopment, a potential well into the Pacassa SW prospect, further labe formation potential in Cobo, Pacassa, and Oombo, and enhanced artificial lift technology through the potential use of Electric Submersible Pumps (“ESP’s”).

6.2. Contingent Resources Estimation

6.2.1. Development Pending: Impala South East Infill Wells

The potential IPSE infill well target areas are shown in Figure 6-1.

The Well IPSE-106 ST location would drain an isolated block south east of the main field which is currently not being produced, targeting a more crestal location up-dip of existing Well IPSE-

106. The Well IPSE-112 location would target an up-dip area of the main field to the south of existing wells to the north to improve drainage in this region.

Both wells are intended as producers with no additional injectors planned at this time.

Oil was encountered in the IPSE-106 area of the field by Well IPSE-106 which is the only well drilled in this fault block. Well IPSE-106 was put on production in January 1998 from a poor reservoir facies and reduced section above the oil water contract which resulted in poor production and it being shut-in in July 1999.

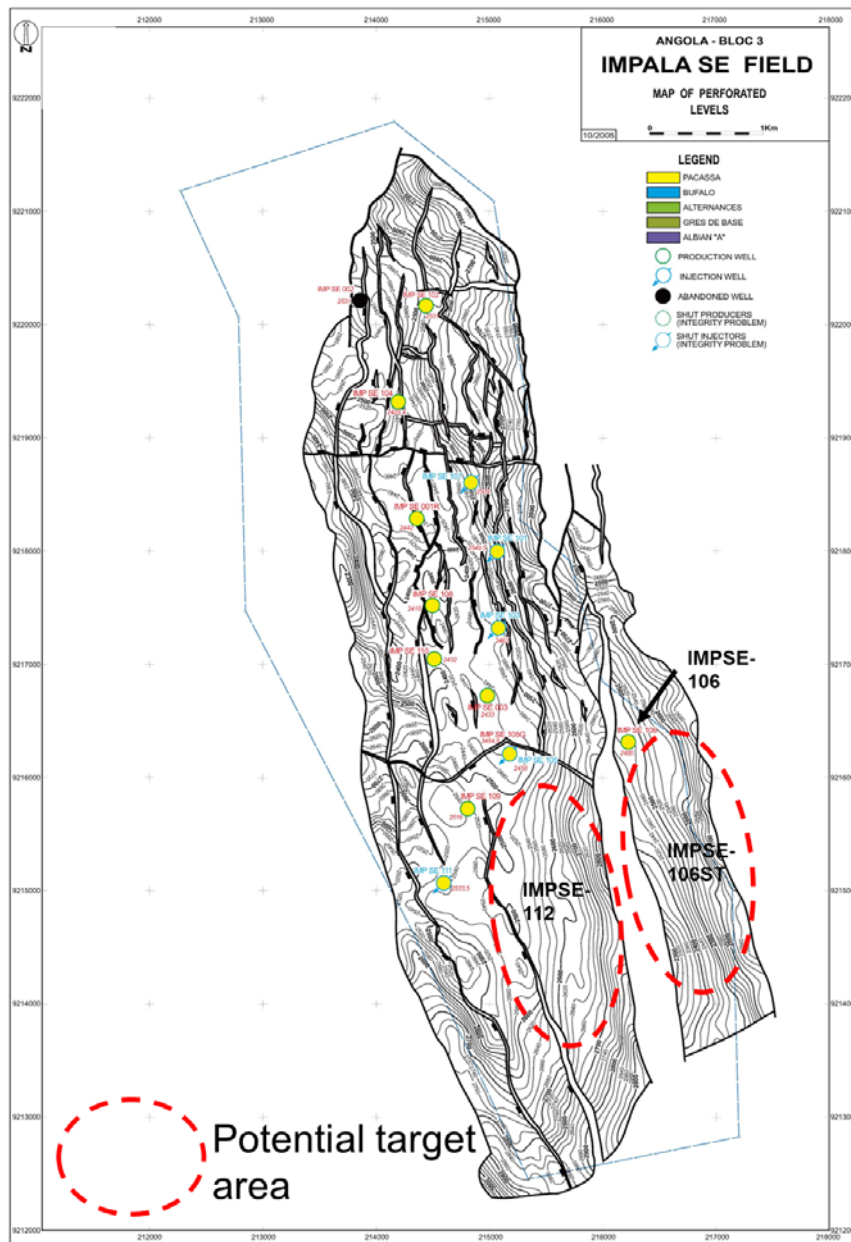


Figure 6-1: Impala SE Map of Perforated Levels (Source: Sonangol P&P)

ERCE has estimated STOIIIPs of 18 MMstb and 46 MMstb respectively for both the IPSE-106 ST and 112 potential target areas based on the supplied top-reservoir map and scaling of the Operator's current field STOIIP of 320 MMstb.

Unrisked Contingent Resources have been derived assuming a range of recovery factors from depletion through to moderate aquifer support drives with results shown in Table 6-1.

Table 6-1: IPSE-106 ST and 112 Locations Gross Unrisked Contingent Resources

Location	Gross Unrisked Oil CR (MMbbl)		
	Low	Best	High
IPSE-106ST	1.4	2.8	5.0
IPSE-112	4.6	8.1	13.8
Total	6.0	10.8	18.8

6.2.2. Development Pending: Palanca Infill Well

The Palanca infill well is intended to be a side-track of Well PAL-003S to a target location between two shut-in wells to increase the well density and recovery in that area of the field (Figure 6-2). Sonangol P&P estimates that the STOIIP in the southern segment of the field is 140 MMstb, of which 55.5 MMstb have been produced from four wells (Wells PAL-003S, PAL-103S, PAL-105S, PAL-106S) as of June 2023.

The historical production performance of the wells within this sector of the field have been reviewed to estimate recoverable volumes for the infill well.

6.2.3. Development Pending: Impala Infill Well

There is currently only a single production well in the Impala field. Sonangol P&P plans to drill an infill well to increase the well density in the field and improve recovery (Figure 6-3). The historical production performance of the only producing well in this field has been used to estimate the recoverable volumes for the infill well.

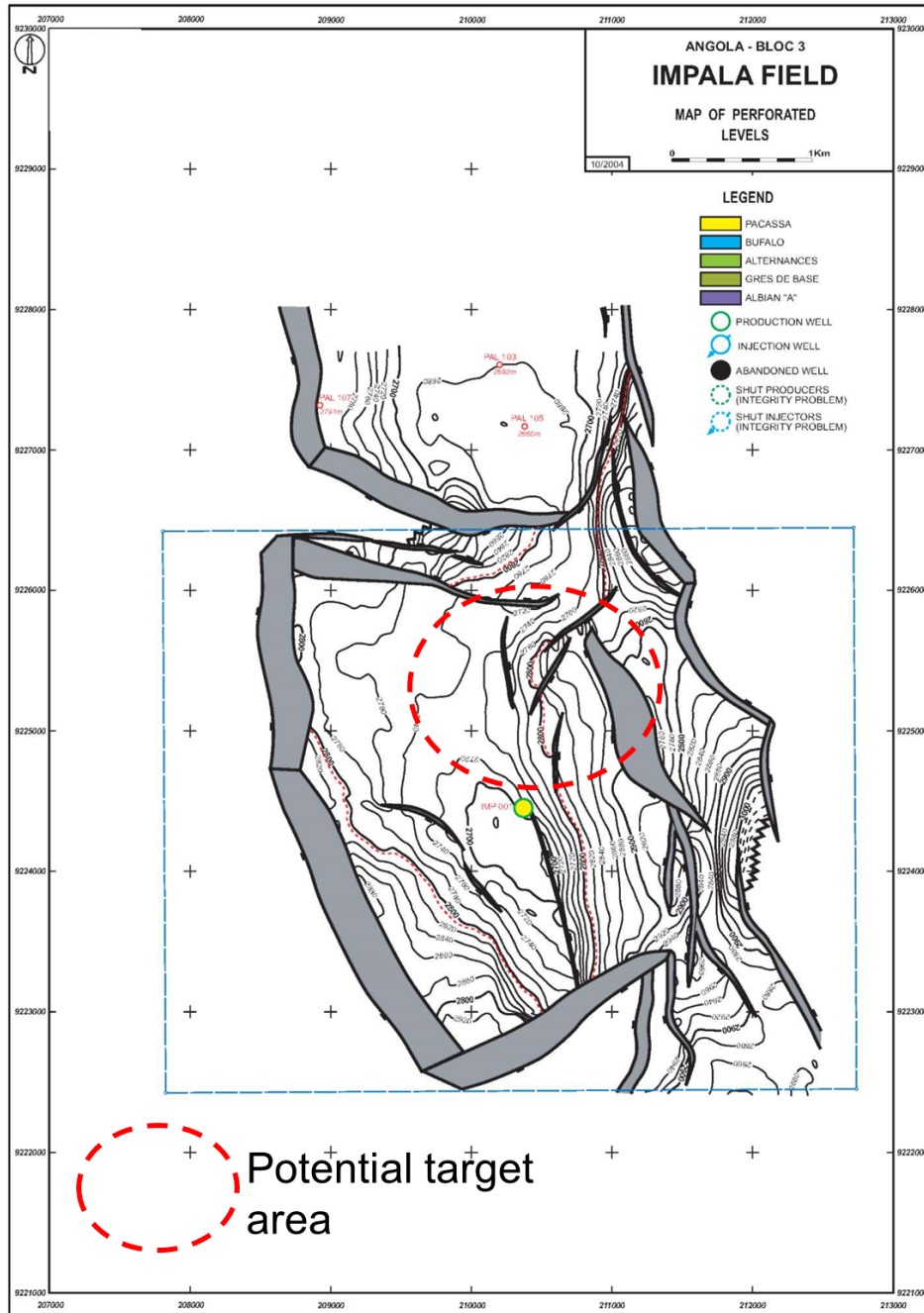


Figure 6-3: Impala Field Map of Perforated Levels (Source: Sonangol P&P)

The gross unrisked Contingent Resources estimates for the Impala infill well are presented in Table 6-3.

Table 6-3: Impala Infill Well Gross Unrisked Contingent Resources

Well	Gross Unrisked Oil CR (MMbbl)		
	Low	Best	High
Impala Infill	1.0	3.0	4.8

6.2.4. Development Unclarified: Cobo Workovers to the Iabe Formation

The Cenomanian age Iabe Formation overlying the Albian age Pinda contains oil in the Cobo, Oombo and Pacassa fields but is not currently producing. Oil has been tested at rates of up to 2075 stb/d in Well Cobo-102. Although its reservoir distribution and volumetrics are particularly uncertain, due to the channelised nature of the reservoir, the Iabe is a potential upside target reservoir that may be tested through future workovers. Contingent Resources for this development have been assigned the status of Development Unclarified.

ERCE has considered low and high potential drainage areas when calculating the resources for the two wells, as shown by the red and green lines on Figure 6-4. These areas have been used to derive Low and High STOIP estimates to which recovery factors consistent with depletion and moderate aquifer support drives have been respectively applied. The best estimate of Contingent Resources has been determined from the Low and High assuming a log-normal distribution.

The gross unrisked Contingent Resources estimates for the Cobo workovers are presented in Table 6-4.

Table 6-4: Cobo-Iabe Gross Unrisked Contingent Resources

Gross Unrisked Contingent Resources. (MMstb)		
1C	2C	3C
0.2	1.1	5.8

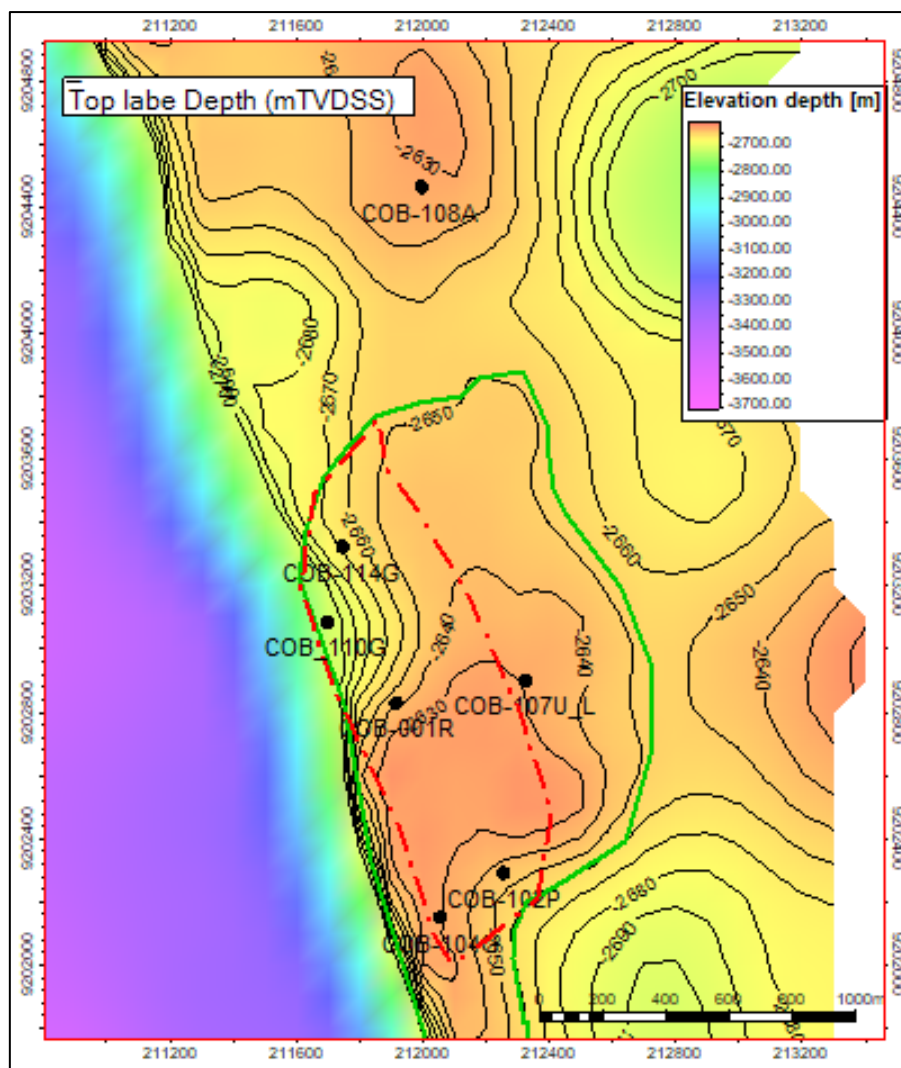


Figure 6-4: labe Depth Map with Low and High Volumetric Polygons (Source: Sonangol P&P)

6.2.5. Development Not Viable: Forecast Production Beyond 2040

Unrisked Contingent Resources have been estimated based on an assumption that the licence period would be extended for a further five years to December 2045. The quantities to be produced in this period have been derived by extrapolation of the aggregated forecasts of Developed and Undeveloped Reserves beyond the end of 2040 for five years.

The gross unrisked Contingent Resources estimates for the assumed five-year licence extension beyond 2040 are presented in Table 6-5.

Table 6-5: Gross Unrisked Contingent Resources Beyond 2040 Licence Expiry

Oil Unrisked CR 2041 - 2045	Gross (MMstb)		
	1C	2C	3C
NFA in aggregate	5.1	9.2	12.6
WI Restoration in aggregate	7.6	14.1	20.6
Other Projects in aggregate	0.0	1.1	1.6
Total Contingent Resources	12.7	24.4	34.8

Notes

1. Other Projects are the Palanca F2 platform workovers, Well IMP-001R restart, and Light Well Interventions
2. Totals are added arithmetically.

6.2.6. Contingent Resources Summary

Table 6-6 presents the gross unrisked Contingent Resources by project and in aggregate.

Table 6-6: Gross Unrisked Oil Contingent Resources by Project & Sub-Class

Oil Contingent Resources by Project and Sub-Class (Unrisked)	Gross (MMstb)			Afentra WI (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending (DP)							
Impala South East Infill	6.0	10.8	18.8	1.8	3.2	5.6	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.3	0.9	1.4	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.5	1.3	2.3	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	2.6	5.5	9.4	Sonangol P&P
Development Unclassified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.1	0.3	1.7	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	3.8	7.3	10.4	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	6.5	13.1	21.5	Sonangol P&P

Notes

1. Volumes shown are unrisked oil Contingent Resources that have not been risked for chance of development.
2. Afentra Working Interest Contingent Resources are based upon a post Transactions combined working interest of 30.00%. For the Development Not Viable Contingent Resources it has been assumed that

Afentra's Working Interest would remain unchanged in the event the licence is extended from end 2040 to end 2045.

3. Afentra Net Entitlement Contingent Resources are not disclosed because an economic evaluation of these volumes has not been performed. There is no certainty that any of the Contingent Resources shown are economically viable.
4. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1C and less than a 10% chance of exceeding the Total 3C.
5. This table shows Contingent Resources associated with the combined Sonangol P&P, Azule, and INA transactions. Contingent Resources associated with each of the transactions individually may be found in Appendices 3, 4, and 5.

7. Economic Valuation

ERCE has undertaken an economic evaluation to determine the economic limit and NPV of the fields in Block 3/05, based on the fiscal regime in Angola, the production and cost profiles generated by or accepted by ERCE, and several commercial assumptions listed below. All estimates are presented on a gross and net (30.00 %) basis, the latter being Afentra's equity in the block following completion of the Transactions.

ERCE's evaluation was performed with an economic model provided by Afentra, audited by ERCE to ensure its calculations replicated the terms of the Block 3/05 PSA. ERCE has estimated the Reserves at the 1P, 2P and 3P levels of uncertainty for the assets as of the Effective Date.

The unrecovered cost pools for Sonangol P&P's interest, INA's interest and Azule's interest in Block 3/05 differ from each other. Accordingly, ERCE evaluated Afentra's proposed acquisitions of 14.00% interest from Sonangol P&P, 4.00% interest from INA and 12.00% interest from Azule separately. Net Entitlement Reserves and valuations output from these independent analyses were subsequently aggregated arithmetically to provide a view of Afentra's position following completion of the Transactions.

7.1. Fiscal Regime

Block 3/05 is governed by a Production Sharing Agreement ("PSA") which was signed in October 2005. The current expiry date is 30 June 2025. The Block 3/05 licence term was extended to 31 December 2040 by the executive decree issued on 10 May 2023 under the same fiscal terms, thereby satisfying a condition precedent for the Sonangol acquisition. Taking this into account ERCE has modelled the fiscal regime based on current terms to an expiry date of 31 December 2040. ERCE is advised by Afentra that approval for modified fiscal terms which will be back dated to 1 January 2023 is expected during the third quarter of 2023.

The main current fiscal elements of the Block 3/05 PSA include but are not limited to:

- Cost ceiling is 65% of gross revenues.
- 1.33 uplift for development CAPEX
- Development Cost Amortisation is 25%/year.
- Profit Oil is split 30% to Contractor and 70% to ANPG
- Corporate Income Tax is 50%

7.2. Economic Assumptions

The following commercial parameters were adopted in the modelling of discounted cash flows for this evaluation.

- A Brent crude oil price in real terms of US\$76.8/bbl in 2H 2023, US\$75.1/bbl in 2024, US\$75.4/bbl in 2025, US\$75.5/bbl in 2026, US\$75.2/bbl in 2027 and thereafter in real terms. Prices are escalated at 2.0% per annum inflation.

Table 7-1 : Brent Crude Oil Price Forecast

ERCE (Base Case) Brent Assumptions (\$/bbl)	2H 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033+
Real (Constant \$, 2023)	76.8	75.1	75.4	75.5	75.2	75.2	75.2	75.2	75.2	75.2	75.2
Nominal (\$ of the day)	76.8	76.6	78.4	80.1	81.4	83.0	84.7	86.4	88.1	89.9	+2.0% pa

- ERCE has applied a crude oil price parity to Brent based on a one-year historical average.
- Capital and operating costs have been determined in 2023 real terms and inflated at a 2.0% per annum inflation rate.

7.3. Valuation

Table 7-2 presents economic results net to Afentra as at the Effective Date of 30 June 2023 in US\$ MM at the 1P, 2P and 3P levels of uncertainty for each of the Developed Producing NFA and Undeveloped projects in aggregate and for all projects combined at discount rates ranging from 0 to 20%. Table 7.2 also shows the final year of economic production after application of the ELT which has been used in the calculation of the Reserves presented in Table 1-6 and Table 5-8. Economic results for each of the Sonangol P&P, Azule, and INA transactions individually may be found in Appendices 3, 4, and 5.

Table 7-2 : Block 3/05 NPVs Attributable to Afentra from All Transactions

Block 3/05 Developed and Undeveloped Summary	Economic Limit (Year)	Net NPV				
		0% (US \$MM)	5% (US \$MM)	10% (US \$MM)	15% (US \$MM)	20% (US \$MM)
Developed Producing						
NFA 1P	2040	89.0	72.8	62.4	55.1	49.7
NFA 2P	2040	300.6	218.3	168.0	135.3	112.8
NFA 3P	2040	355.2	261.4	203.7	165.7	139.2
Undeveloped						
Water Injection Restoration						
1P	2040	55.2	25.1	10.1	2.4	-1.6
2P	2040	103.2	59.8	36.2	22.4	14.1
3P	2040	190.7	109.2	66.2	42.1	27.8
Palanca F2 Platform Workovers						
1P	2040	4.1	-0.3	-2.5	-3.7	-4.2
2P	2040	16.4	9.1	4.8	2.2	0.5
3P	2040	23.0	13.6	8.2	4.9	2.8
Light Well Interventions Program						
1P	2040	5.7	4.1	3.0	2.2	1.6
2P	2040	5.3	4.6	4.0	3.4	3.0
3P	2040	6.6	5.5	4.7	4.1	3.6
Impala IMP-001R Restart						
1P	2040	2.0	1.5	1.3	1.1	0.9
2P	2040	2.1	1.8	1.6	1.5	1.4
3P	2040	3.2	2.4	1.9	1.6	1.4
Total Undeveloped						
1P	2040	67.0	30.4	11.8	2.0	-3.2
2P	2040	126.9	75.3	46.5	29.5	19.0
3P	2040	223.5	130.7	81.0	52.7	35.6
Total Developed plus Undeveloped						
1P	2040	156.0	103.2	74.1	57.1	46.5
2P	2040	427.6	293.6	214.5	164.8	131.8
3P	2040	578.7	392.2	284.7	218.4	174.8

Notes

1. Economics for the Undeveloped Projects (Palanca F2 Platform workovers, 2023 Light Well Interventions, Impala Well IMP-001R restart) have been determined on an incremental basis to the combined NFA plus water injection restoration projects to reflect the fact that water injection restoration is ongoing.
2. Totals are added arithmetically.
3. This table shows aggregated economic results associated with both the Sonangol P&P, Azule, and INA transactions. Economic results associated with each of the transactions individually may be found in Appendices 3, 4 and 5.

Appendix 1 – PRMS Guidelines

This report references the SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Reserves and Resources Classification System and Definitions, Version 1.01, as revised in June 2018 and updated in November 2018 (PRMS).

The full text of the PRMS document can be viewed at:

<https://secure.spee.org/resources/Reserves-definitions-committee-rdc>

PRMS classifies resources into discovered and undiscovered, and defines the recoverable resources classes of Production, Reserves, Contingent Resources, and Prospective Resources, as well as Unrecoverable Petroleum.

A graphical representation of the PRMS resources classification framework can be seen below in Figure A. The horizontal axis reflects the range of uncertainty of estimated quantities potentially recoverable from an accumulation by a project, while the vertical axis represents the chance of commerciality, which is the chance that a project will be committed for development and reach commercial producing status.

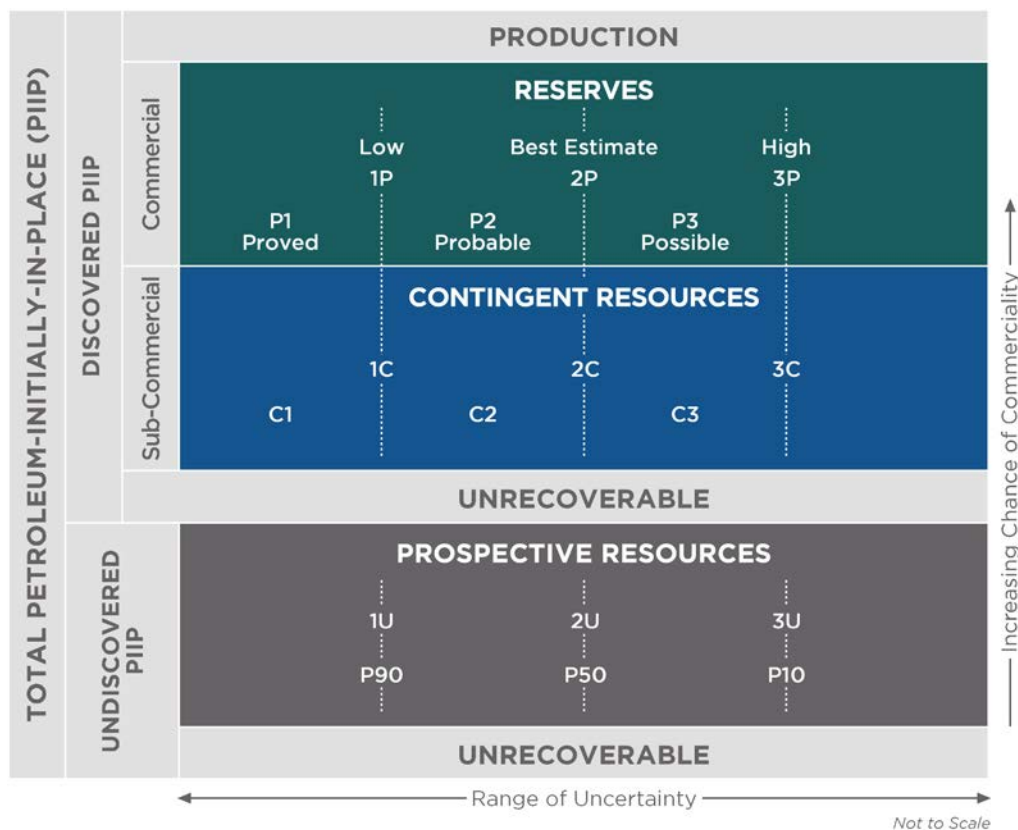


Figure A: PRMS Resources classification framework

(Source: PRMS, Version 1.01; page 1, Figure 1.1)

As illustrated below in Figure B, development projects and associated recoverable quantities may be sub-classified according to project maturity levels and the associated actions (i.e., business decisions) required to move a project toward commercial production.

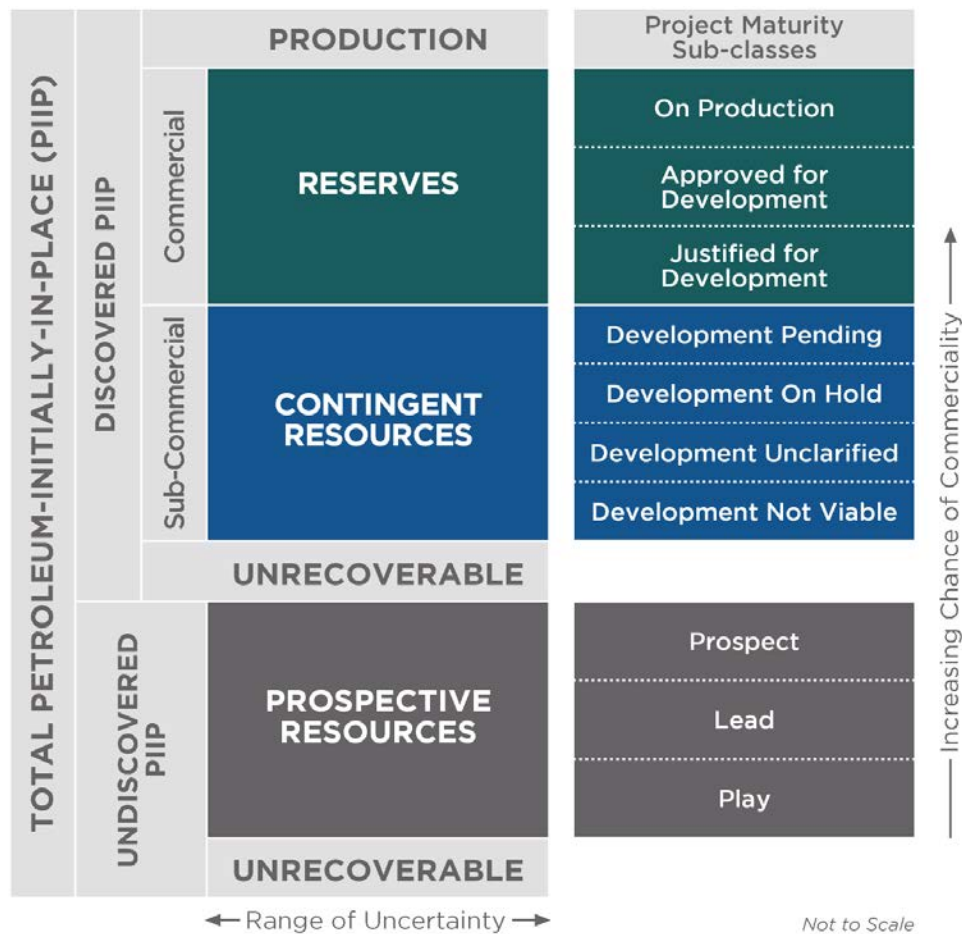


Figure B: PRMS Resources sub-classes

(Source: PRMS, Version 1.01; page 8, Figure 2.1)

A summary of key definitions of the PRMS Reserves and Resource categories, classes and sub-classes can be found in Tables 1 to 3 and a glossary of selected PRMS terms can be found in Table 4, below:

Table 1: PRMS Recoverable Resources Classes and Sub-Classes

Classes/Sub-classes	Definition	Guidelines
Reserves	Reserves are 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.	<p>Reserves must satisfy four criteria: discovered, recoverable, commercial, and remaining based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by the development and production status.</p> <p>To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability (see PRMS Section 2.1.2, Determination of Commerciality). This includes the requirement that there is evidence of firm intention to proceed with development within a reasonable timeframe.</p> <p>A reasonable timeframe for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While five years is recommended as a benchmark, a longer timeframe could be applied where, for example, development of an economic project is deferred at the option of the producer for, among other things, market-related reasons or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.</p> <p>To be included in the Reserves class, there must be a high confidence in the commercial maturity and economic producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.</p>

Classes/Sub-classes	Definition	Guidelines
On Production	The development project is currently producing or capable of producing and selling petroleum to market.	<p>The key criterion is that the project is receiving income from sales, rather than that the approved development project is necessarily complete. Includes Developed Producing Reserves.</p> <p>The project decision gate is the decision to initiate or continue economic production from the project.</p>
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is ready to begin or is under way.	<p>At this point, it must be certain that the development project is going ahead. The project must not be subject to any contingencies, such as outstanding regulatory approvals or sales contracts. Forecast capital expenditures should be included in the reporting entity's current or following year's approved budget.</p> <p>The project decision gate is the decision to start investing capital in the construction of production facilities and/or drilling development wells.</p>
Justified for Development	Implementation of the development project is justified based on reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.	<p>To move to this level of project maturity, and hence have Reserves associated with it, the development project must be commercially viable at the time of reporting (see PRMS Section 2.1.2, Determination of Commerciality) and the specific circumstances of the project. All participating entities have agreed and there is evidence of a committed project (firm intention to proceed with development within a reasonable timeframe) There must be no known contingencies that could preclude the development from proceeding (see Reserves class).</p> <p>The project decision gate is the decision by the reporting entity and its partners, if any, that the project has reached a level of technical and commercial maturity sufficient to justify proceeding with development at that point in time.</p>

Classes/Sub-classes	Definition	Guidelines
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.	<p>Contingent Resources may include, for example, projects for which there are currently no viable markets, where commercial recovery is dependent on technology under development, where evaluation of the accumulation is insufficient to clearly assess commerciality, where the development plan is not yet approved, or where regulatory or social acceptance issues may exist.</p> <p>Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by the economic status.</p>
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.	<p>The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g., drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable timeframe. Note that disappointing appraisal/evaluation results could lead to a reclassification of the project to On Hold or Not Viable status.</p> <p>The project decision gate is the decision to undertake further data acquisition and/or studies designed to move the project to a level of technical and commercial maturity at which a decision can be made to proceed with development and production.</p>
Development on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.	<p>The project is seen to have potential for commercial development. Development may be subject to a significant time delay. Note that a change in circumstances, such that there is no longer a probable chance that a critical contingency can be removed in the foreseeable future, could lead to a reclassification of the project to Not Viable status.</p> <p>The project decision gate is the decision to either proceed with additional evaluation designed to clarify the potential for eventual commercial development or to temporarily suspend or delay further activities pending resolution of external contingencies.</p>

Classes/Sub-classes	Definition	Guidelines
Development Unclarified	A discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information.	<p>The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are ongoing to clarify the potential for eventual commercial development.</p> <p>This sub-class requires active appraisal or evaluation and should not be maintained without a plan for future evaluation. The sub-class should reflect the actions required to move a project toward commercial maturity and economic production.</p>
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time because of limited production potential.	<p>The project is not seen to have potential for eventual commercial development at the time of reporting, but the theoretically recoverable quantities are recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions.</p> <p>The project decision gate is the decision not to undertake further data acquisition or studies on the project for the foreseeable future.</p>
Prospective Resources	Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.	Potential accumulations are evaluated according to the chance of geologic discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.	Project activities are focused on assessing the chance of geologic discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a Prospect.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the Lead can be matured into a Prospect. Such evaluation includes the assessment of the chance of geologic discovery and, assuming discovery, the range of potential recovery under feasible development scenarios.

Classes/Sub-classes	Definition	Guidelines
Play	A project associated with a prospective trend of potential prospects, but that requires more data acquisition and/or evaluation to define specific Leads or Prospects.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific Leads or Prospects for more detailed analysis of their chance of geologic discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios.

Table 2: PRMS Reserves Status Definitions and Guidelines

Status	Definition	Guidelines
Developed Reserves	Expected quantities to be recovered from existing wells and facilities.	Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-producing.
Developed Producing Reserves	Expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate.	Improved recovery Reserves are considered producing only after the improved recovery project is in operation.
Developed Non-Producing Reserves	Shut-in and behind-pipe Reserves.	Shut-in Reserves are expected to be recovered from (1) completion intervals that are open at the time of the estimate, but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these Reserves. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

Status	Definition	Guidelines
Undeveloped Reserves	Quantities expected to be recovered through future significant investments.	Undeveloped Reserves are to be produced (1) from new wells on undrilled acreage in known accumulations, (2) from deepening existing wells to a different (but known) reservoir, (3) from infill wells that will increase recovery, or (4) where a relatively large expenditure (e.g., when compared to the cost of drilling a new well) is required to (a) recomplete an existing well or (b) install production or transportation facilities for primary or improved recovery projects.

Table 3: PRMS Reserves Category Definitions and Guidelines

Category	Definition	Guidelines
Proved Reserves	Those quantities of petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward from known reservoirs and under defined economic conditions, operating methods, and government regulations.	<p>If deterministic methods are used, the term “reasonable certainty” is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities recovered will equal or exceed the estimate.</p> <p>The area of the reservoir considered as Proved includes (1) the area delineated by drilling and defined by fluid contacts, if any, and</p> <p>2) adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive based on available geoscience and engineering data.</p> <p>In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the LKH as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved.</p> <p>Reserves in undeveloped locations may be classified as Proved provided that:</p> <ul style="list-style-type: none"> A. The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially mature and economically productive. B. Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations. <p>For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogs and sound engineering</p>

		<p>judgment considering the characteristics of the Proved area and the applied development program.</p>
<p>Probable Reserves</p>	<p>Those additional Reserves that analysis of geoscience and engineering data indicates are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.</p>	<p>It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.</p> <p>Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria.</p> <p>Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.</p>

Possible Reserves	Those additional Reserves that analysis of geoscience and engineering data indicates are less likely to be recoverable than Probable Reserves.	<p>The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high-estimate scenario.</p> <p>When probabilistic methods are used, there should be at least a 10% probability (P10) that the actual quantities recovered will equal or exceed the 3P estimate.</p> <p>Possible Reserves may be assigned to areas of a reservoir adjacent to Probable where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of economic production from the reservoir by a defined, commercially mature project.</p> <p>Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.</p>
Probable and Possible Reserves	See above for separate criteria for Probable Reserves and Possible Reserves.	<p>The 2P and 3P estimates may be based on reasonable alternative technical interpretations within the reservoir and/or subject project that are clearly documented, including comparisons to results in successful similar projects.</p> <p>In conventional accumulations, Probable and/or Possible Reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from Proved areas by minor faulting or other geological discontinuities and have not been penetrated by a wellbore but are interpreted to be in communication with the known (Proved) reservoir. Probable or Possible Reserves may be assigned to areas that are structurally higher than the Proved area. Possible (and in some cases, Probable) Reserves may be assigned to areas that are structurally lower than the adjacent Proved or 2P area.</p> <p>Caution should be exercised in assigning Reserves to adjacent reservoirs isolated by major, potentially sealing faults until this reservoir is penetrated and evaluated as commercially mature and economically productive. Justification for assigning Reserves in such cases should be clearly documented. Reserves should not be assigned to areas that are clearly separated from a known accumulation by non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results); such areas may contain Prospective Resources.</p> <p>In conventional accumulations, where drilling has defined a highest known oil elevation and there exists the potential for an associated gas cap, Proved Reserves of oil should only be assigned in the structurally higher portions of the reservoir if there is reasonable certainty that such portions are initially above bubble point pressure based on documented engineering analyses. Reservoir portions that do not meet this certainty may be assigned as Probable and Possible oil and/or gas based on reservoir fluid properties and pressure gradient interpretations.</p>

Table 4: Glossary of Selected Terms Used in PRMS

Term	Definition
1C	Denotes low estimate of Contingent Resources.
2C	Denotes best estimate of Contingent Resources.
3C	Denotes high estimate of Contingent Resources.
1P	Denotes low estimate of Reserves (i.e., Proved Reserves). Equal to P1.
2P	Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves.
3P	Denotes high estimate of Reserves. The sum of Proved plus Probable plus Possible Reserves.
1U	Denotes the unrisked low estimate qualifying as Prospective Resources.
2U	Denotes the unrisked best estimate qualifying as Prospective Resources.
3U	Denotes the unrisked high estimate qualifying as Prospective Resources.
Accumulation	An individual body of naturally occurring petroleum in a reservoir.
C1	Denotes low estimate of Contingent Resources. C1 is equal to 1C.
C2	Denotes Contingent Resources of same technical confidence as Probable, but not commercially matured to Reserves.
C3	Denotes Contingent Resources of same technical confidence as Possible, but not commercially matured to Reserves.
Chance of Commerciality	The estimated probability that the project will achieve commercial maturity to be developed. For Prospective Resources, this is the product of the chance of geologic discovery and the chance of development. For Contingent Resources and Reserves, it is equal to the chance of development.
Chance of Development	The estimated probability that a known accumulation, once discovered, will be commercially developed.
Chance of Geologic Discovery	The estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum.
Low/Best/High Estimate	Reflects the range of uncertainty as a reasonable range of estimated potentially recoverable quantities.
P1	Denotes Proved Reserves. P1 is equal to 1P.
P2	Denotes Probable Reserves.
P3	Denotes Possible Reserves.
Petroleum Initially-in-Place (PIIP)	The total quantity of petroleum that is estimated to exist originally in naturally occurring reservoirs, as of a given date. Crude oil in-place, natural gas in-place, and natural bitumen in-place are defined in the same manner.
Recoverable Resources	Those quantities of hydrocarbons that are estimated to be producible by the project from either discovered or undiscovered accumulations.
Uncertainty	The range of possible outcomes in a series of estimates. For recoverable resources assessments, the range of uncertainty reflects a reasonable range of estimated potentially recoverable quantities for an accumulation or project.

Appendix 2 – Nomenclature

Units and their abbreviations

°C	Degrees Celsius
°F	Degrees Fahrenheit
Bbbl	Billion Barrels
bbl	Barrel
bbl/d	Barrels per day
Bscf	Thousands of millions of standard cubic feet
cp	Centipoises
ft	Feet
km	Kilometres
m	Metres
M or MM	Thousands and millions respectively
mD	Millidarcy
ppm	Parts per million
psia	Pounds per square inch absolute
psig	Pounds per square inch gauge
pu	Porosity unit
scf	Standard cubic feet measured at 14.7 pounds per square inch and 60 degrees Fahrenheit.
scf/d	Standard cubic feet per day
scf/stb	Standard cubic feet per stock tank barrel
stb	A stock tank barrel which is 42 US gallons measured at 14.7 pounds per square inch and 60 degrees Fahrenheit.
stb/d	Stock tank barrels per day

Terms and their abbreviations

ABEX	Means abandonment cost
API	American Petroleum Institute
CAPEX	Means capital cost
CoP	Cessation of production
DCA	Decline curve analysis
ELT	Economic limit test
EUR	Expected ultimate recovery
FDP	Field development plan
FSO	Means floating storage and offloading vessel
GOR	Gas oil ratio
MD	Measured depth
NFA	No further activity
NPV xx	Net present value at xx discount rate
OPEX	Means operating cost
P_b	Means bubble point pressure – the pressure at which the first bubble of gas appears at a specific temperature
Phie	Effective porosity
Phit	Total porosity
PIIP	Petroleum initially in place
PVT	Pressure volume temperature experiment
RF	Recovery factor
STOIP	Stock tank oil initially in place
TRR	Technically Recoverable Resources without application of an economic cut off
TVD	True vertical depth
WCT	Water cut – the ratio of produced water to total liquids expressed as a percentage
WI	Water injection

Appendix 3 – Sonangol Transaction

This appendix provides a summary of Reserves, Contingent Resources, and NPV's attributable to Afentra's proposed acquisition of 14.00% of Sonangol's interest in Block 3/05.

Table A 1: Block 3/05 Oil Reserves Attributable to Afentra from Sonangol Transaction

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	7.0	9.1	10.6	5.2	6.1	6.3	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	2.4	5.0	8.3	1.8	2.7	3.9	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	0.5	0.8	1.0	0.4	0.5	0.6	Sonangol P&P
Light Well Interventions Program	2.0	2.3	2.6	0.3	0.3	0.4	0.2	0.2	0.2	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.1	0.1	0.2	0.0	0.1	0.1	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	3.3	6.3	9.9	2.5	3.5	4.8	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	10.2	15.3	20.5	7.7	9.6	11.1	Sonangol P&P

Notes

1. The Effective Date is 30 June 2023.
2. Reserves are based on a licence expiry of 31 December 2040.
3. The net entitlement Undeveloped Reserves for the Palanca F2 platform workovers, the 2023 Light Well Interventions, and the Impala Well IMP-001R restart have been determined on an incremental basis to the combined NFA plus Water Injection projects.
4. Reserves attributed to water injection restoration have been classified as Undeveloped at this point while ramp up of the water injection system is underway.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1P and less than a 10% chance of exceeding the Total 3P.
6. Afentra Working Interest Reserves comprise the gross Reserves multiplied by Afentra's 14.00% working interest in Block 3/05 after completion of the transaction.
7. Afentra Net Entitlement Reserves are that portion of the future production (and thus Reserves) accruing to Afentra, based on its share of total cost and profit revenues calculated under the terms of the licence agreement.

Table A 2: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from Sonangol Transaction

Oil Contingent Resources by Project and Sub-Class (Unrisked)	Gross (MMstb)			Afentra WI (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending							
Impala South East Infill	6.0	10.8	18.8	0.8	1.5	2.6	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.1	0.4	0.7	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.2	0.6	1.1	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	1.2	2.5	4.4	Sonangol P&P
Development Unclarified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.0	0.1	0.8	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	1.8	3.4	4.9	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	3.0	6.1	10.1	Sonangol P&P

Notes

- Volumes shown are unrisked oil Contingent Resources that have not been risked for chance of development.
- Afentra Working Interest Contingent Resources are based upon a post transaction working interest of 14.00%; for the Development Not Viable Contingent Resources it has been assumed that Afentra's Working Interest would remain unchanged in the event the licence is extended from end 2040 to end 2045.
- Afentra Net Entitlement Contingent Resources are not disclosed because an economic evaluation of these volumes has not been performed. There is no certainty that any of the Contingent Resources shown are economically viable.
- Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1C and less than a 10% chance of exceeding the Total 3C.

Table A 3: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from Sonangol Transaction Beyond December 2040 Licence Expiry

Oil Unrisked CR 2041 - 2045	Gross (MMstb)			Afentra WI (MMstb)		
	1C	2C	3C	1C	2C	3C
NFA in aggregate	5.1	9.2	12.6	0.7	1.3	1.8
WI Restoration in aggregate	7.6	14.1	20.6	1.1	2.0	2.9
Other Projects in aggregate	0.0	1.1	1.6	0.0	0.2	0.2
Total Contingent Resources	12.7	24.4	34.8	1.8	3.4	4.9

Notes

- Other Projects are the Palanca F2 Platform workovers, Well IMP-001R restart, and 2023 Light Well Interventions.
- Totals are added arithmetically.

Table A 4: Block 3/05 NPVs Attributable to Afentra from Sonangol Transaction

Block 3/05 Developed and Undeveloped Summary	Economic Limit (Year)	Net NPV				
		0% (US \$MM)	5% (US \$MM)	10% (US \$MM)	15% (US \$MM)	20% (US \$MM)
Developed Producing						
NFA 1P	2040	41.5	34.0	29.1	25.7	23.2
NFA 2P	2040	113.8	84.9	67.1	55.3	47.1
NFA 3P	2040	139.2	101.9	79.5	65.2	55.3
Undeveloped						
Water Injection Restoration						
1P	2040	25.8	11.7	4.7	1.1	-0.7
2P	2040	48.2	26.6	15.2	8.9	5.2
3P	2040	89.0	50.5	30.2	18.8	12.2
Palanca F2 Platform Workovers						
1P	2040	1.9	-0.1	-1.2	-1.7	-1.9
2P	2040	7.7	4.3	2.4	1.2	0.4
3P	2040	10.7	6.4	3.9	2.3	1.4
Light Well Interventions Program						
1P	2040	2.7	1.9	1.4	1.0	0.7
2P	2040	2.5	2.0	1.6	1.4	1.2
3P	2040	3.1	2.4	2.0	1.6	1.4
Impala IMP-001R Restart						
1P	2040	0.9	0.7	0.6	0.5	0.4
2P	2040	1.0	0.8	0.6	0.6	0.5
3P	2040	1.5	1.0	0.8	0.6	0.5
Total Undeveloped						
1P	2040	31.3	14.2	5.5	0.9	-1.5
2P	2040	59.2	33.6	19.9	12.0	7.3
3P	2040	104.3	60.4	36.8	23.4	15.5
Total Developed plus Undeveloped						
1P	2040	72.8	48.1	34.6	26.7	21.7
2P	2040	173.0	118.5	86.9	67.3	54.4
3P	2040	243.6	162.2	116.3	88.6	70.8

Notes

1. Economics for the Undeveloped Other Projects (Palanca F2 Platform workovers, 2023 Light Well Interventions, Impala Well IMP-001R restart) have been determined on an incremental basis to the combined NFA plus water injection restoration projects to reflect the fact that water injection restoration is ongoing.
2. Totals are added arithmetically.

Appendix 4 – Azule Transaction

This appendix provides a summary of Reserves, Contingent Resources, and NPV's attributable to Afentra's proposed acquisition of Azule's 12.00% interest in Block 3/05.

Table A 5: Block 3/05 Oil Reserves Attributable to Afentra from Azule Transaction

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	6.0	7.8	9.1	4.5	5.6	5.9	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	2.1	4.3	7.1	1.6	2.4	3.4	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	0.5	0.7	0.9	0.4	0.4	0.5	Sonangol P&P
Light Well Interventions Program	2.0	2.3	2.6	0.2	0.3	0.3	0.2	0.2	0.2	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.0	0.1	0.1	0.0	0.1	0.1	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	2.8	5.4	8.4	2.1	3.0	4.1	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	8.8	13.1	17.6	6.6	8.6	10.0	Sonangol P&P

Notes

1. The Effective Date is 30 June 2023.
2. Reserves are based on a licence expiry of 31 December 2040.
3. The net entitlement undeveloped Reserves for the Palanca F2 platform workovers, the 2023 Light Well Interventions, and the Impala Well IMP-001R restart have been determined on an incremental basis to the combined NFA plus Water Injection projects.
4. Reserves attributed to water injection restoration have been classified as Undeveloped at this point while ramp up of the water injection system is underway.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1P and less than a 10% chance of exceeding the Total 3P.
6. Afentra Working Interest Reserves comprise the gross Reserves multiplied by Afentra's 12.00% working interest in Block 3/05 after completion of the transaction.
7. Afentra Net Entitlement Reserves are that portion of the future production (and thus Reserves) accruing to Afentra, based on its share of total cost and profit revenues calculated under the terms of the licence agreement.

Table A 6: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from Azule Transaction

Oil Contingent Resources by Project and Sub-Class (Unrisked)	Gross (MMstb)			Afentra Working Interest (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending							
Impala South East Infill	6.0	10.8	18.8	0.7	1.3	2.3	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.1	0.4	0.6	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.2	0.5	0.9	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	1.0	2.2	3.7	Sonangol P&P
Development Unclarified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.0	0.1	0.7	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	1.5	2.9	4.2	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	2.6	5.2	8.6	Sonangol P&P

Notes

1. Volumes shown are unrisked oil Contingent Resources that have not been risked for chance of development.
2. Afentra Working Interest Contingent Resources are based upon a post transaction working interest of 12.00%; for the Development Not Viable Contingent Resources it has been assumed that Afentra's Working Interest would remain unchanged in the event the licence is extended from end 2040 to end 2045.
3. Afentra Net Entitlement Contingent Resources are not disclosed because an economic evaluation of these volumes has not been performed. There is no certainty that any of the Contingent Resources shown are economically viable.
4. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1C and less than a 10% chance of exceeding the Total 3C.

Table A 7: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from Azule Transaction Beyond December 2040 Licence Expiry

Oil Unrisked CR 2041 - 2045	Gross (MMstb)			Afentra WI (MMstb)		
	1C	2C	3C	1C	2C	3C
NFA in aggregate	5.1	9.2	12.6	0.6	1.1	1.5
WI Restoration in aggregate	7.6	14.1	20.6	0.9	1.7	2.5
Other Projects in aggregate	0.0	1.1	1.6	0.0	0.1	0.2
Total Contingent Resources	12.7	24.4	34.8	1.5	2.9	4.2

Notes

1. Other Projects are the Palanca F2 Platform workovers, Well IMP-001R restart, and 2023 Light Well Interventions.
2. Totals are added arithmetically.

Table A 8: Block 3/05 NPVs Attributable to Afentra from Azule Transaction

Block 3/05 Developed and Undeveloped Summary	Economic Limit (Year)	Net NPV				
		0% (US \$MM)	5% (US \$MM)	10% (US \$MM)	15% (US \$MM)	20% (US \$MM)
Developed Producing						
NFA 1P	2040	35.6	29.1	25.0	22.0	19.9
NFA 2P	2040	142.8	101.5	76.5	60.4	49.5
NFA 3P	2040	164.6	121.6	94.5	76.4	63.7
Undeveloped						
Water Injection Restoration						
1P	2040	22.1	10.0	4.0	1.0	-0.6
2P	2040	41.3	25.2	16.0	10.4	6.9
3P	2040	76.3	44.1	27.1	17.6	11.9
Palanca F2 Platform Workovers						
1P	2040	1.6	-0.1	-1.0	-1.5	-1.7
2P	2040	6.6	3.6	1.8	0.7	0.1
3P	2040	9.2	5.4	3.2	1.9	1.0
Light Well Interventions Program						
1P	2040	2.3	1.6	1.2	0.9	0.6
2P	2040	2.1	2.0	1.8	1.6	1.4
3P	2040	2.7	2.4	2.1	1.9	1.7
Impala IMP-001R Restart						
1P	2040	0.8	0.6	0.5	0.4	0.4
2P	2040	0.8	0.8	0.7	0.7	0.6
3P	2040	1.3	1.0	0.8	0.7	0.7
Total Undeveloped						
1P	2040	26.8	12.2	4.7	0.8	-1.3
2P	2040	50.8	31.5	20.3	13.5	9.0
3P	2040	89.4	52.9	33.3	22.1	15.3
Total Developed plus Undeveloped						
1P	2040	62.4	41.3	29.7	22.8	18.6
2P	2040	193.5	133.0	96.8	73.9	58.5
3P	2040	254.0	174.4	127.8	98.5	78.9

Notes

1. Economics for the Undeveloped Other Projects (Palanca F2 Platform workovers, 2023 Light Well Interventions, Impala Well IMP-001R restart) have been determined on an incremental basis to the combined NFA plus water injection restoration projects to reflect the fact that water injection restoration is ongoing.
2. Totals are added arithmetically.

Appendix 5 – INA Transaction

This appendix provides a summary of Reserves, Contingent Resources, and NPV's attributable to Afentra's acquisition of INA's 4.00% interest in Block 3/05.

Table A 9: Block 3/05 Oil Reserves Attributable to Afentra from INA Transaction

Operational Status/Project	Gross (MMstb)			Afentra Working Interest (MMstb)			Afentra Net Entitlement (MMstb)			Operator
	1P	2P	3P	1P	2P	3P	1P	2P	3P	
Developed Producing										
NFA	49.7	64.7	76.1	2.0	2.6	3.0	1.5	1.8	1.9	Sonangol P&P
Undeveloped										
Water Injection Restoration	17.2	35.9	59.4	0.7	1.4	2.4	0.5	0.8	1.1	Sonangol P&P
Palanca F2 Workovers	3.9	5.7	7.2	0.2	0.2	0.3	0.1	0.1	0.2	Sonangol P&P
Light Well Interventions Program	2.0	2.3	2.6	0.1	0.1	0.1	0.1	0.1	0.1	Sonangol P&P
Impala IMP-001R Restart	0.4	0.9	1.2	0.0	0.0	0.0	0.0	0.0	0.0	Sonangol P&P
Total Undeveloped	23.4	44.8	70.4	0.9	1.8	2.8	0.7	1.0	1.4	Sonangol P&P
Total All Reserves Classes	73.1	109.5	146.5	2.9	4.4	5.9	2.2	2.8	3.3	Sonangol P&P

Notes

1. The Effective Date is 30 June 2023.
2. Reserves are based on a licence expiry of 31 December 2040.
3. The Undeveloped net entitlement Reserves for the Palanca F2 platform workovers, the 2023 Light Well Interventions, and the Impala Well IMP-001R restart have been determined on an incremental basis to the combined NFA plus Water Injection projects..
4. Reserves attributed to water injection restoration have been classified as Undeveloped at this point while ramp up of the water injection system is underway.
5. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1P and less than a 10% chance of exceeding the Total 3P.
6. Afentra Working Interest Reserves comprise the gross Reserves multiplied by Afentra's 4.00% working interest in Block 3/05 after completion of the transaction.
7. Afentra Net Entitlement Reserves are that portion of the future production (and thus Reserves) accruing to Afentra, based on its share of total cost and profit revenues calculated under the terms of the licence agreement.

Table A 10: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from INA Transaction

Oil Contingent Resources by Project and Sub-Class (Unrisked)	Gross (MMstb)			Afentra WI (MMstb)			Operator
	1C	2C	3C	1C	2C	3C	
Development Pending							
Impala South East Infill	6.0	10.8	18.8	0.2	0.4	0.8	Sonangol P&P
Impala Infill	1.0	3.0	4.8	0.0	0.1	0.2	Sonangol P&P
Palanca Infill	1.5	4.4	7.6	0.1	0.2	0.3	Sonangol P&P
Total Development Pending	8.6	18.2	31.2	0.3	0.7	1.2	Sonangol P&P
Development Unclassified							
Cobo Workovers to the labe Formation	0.2	1.1	5.8	0.0	0.0	0.2	Sonangol P&P
Development Not Viable							
Licence Extension from 2041 to 2045	12.7	24.4	34.8	0.5	1.0	1.4	Sonangol P&P
Total All Contingent Resource Classes	21.5	43.7	71.8	0.9	1.7	2.9	Sonangol P&P

Notes

1. Volumes shown are unrisked oil Contingent Resources that have not been risked for chance of development.
2. Afentra Working Interest Contingent Resources are based upon a post transaction working interest of 4.00%; for the Development Not Viable Contingent Resources it has been assumed that Afentra's Working Interest would remain unchanged in the event the licence is extended from end 2040 to end 2045.
3. Afentra Net Entitlement Contingent Resources are not disclosed because an economic evaluation of these volumes has not been performed. There is no certainty that any of the Contingent Resources shown are economically viable.
4. Totals are added arithmetically which means statistically there is a greater than 90% chance of exceeding the Total 1C and less than a 10% chance of exceeding the Total 3C.

Table A 11: Block 3/05 Unrisked Oil Contingent Resources Attributable to Afentra from INA Transaction Beyond December 2040 Licence Expiry

Oil Unrisked CR 2041 - 2045	Gross (MMstb)			Afentra WI (MMstb)		
	1C	2C	3C	1C	2C	3C
NFA in aggregate	5.1	9.2	12.6	0.2	0.4	0.5
WI Restoration in aggregate	7.6	14.1	20.6	0.3	0.6	0.8
Other Projects in aggregate	0.0	1.1	1.6	0.0	0.0	0.1
Total Contingent Resources	12.7	24.4	34.8	0.5	1.0	1.4

Notes

1. Other Projects are the Palanca F2 Platform workovers, the Well IMP-001R restart, and the 2023 Light Well Interventions.
2. Totals are added arithmetically.

Table A 12: Block 3/05 NPVs Attributable to Afentra from INA Transaction

Block 3/05 Developed and Undeveloped Summary	Economic Limit (Year)	Net NPV				
		0% (US \$MM)	5% (US \$MM)	10% (US \$MM)	15% (US \$MM)	20% (US \$MM)
Developed Producing						
NFA 1P	2040	11.9	9.7	8.3	7.3	6.6
NFA 2P	2040	44.1	32.0	24.5	19.5	16.2
NFA 3P	2040	51.4	38.0	29.7	24.2	20.2
Undeveloped						
Water Injection Restoration						
1P	2040	7.4	3.3	1.3	0.3	-0.2
2P	2040	13.8	8.1	4.9	3.1	2.0
3P	2040	25.4	14.6	8.9	5.7	3.8
Palanca F2 Platform Workovers						
1P	2040	0.5	0.0	-0.3	-0.5	-0.6
2P	2040	2.2	1.2	0.6	0.2	0.0
3P	2040	3.1	1.8	1.1	0.6	0.4
Light Well Interventions Program						
1P	2040	0.8	0.5	0.4	0.3	0.2
2P	2040	0.7	0.6	0.6	0.5	0.4
3P	2040	0.9	0.7	0.7	0.6	0.5
Impala IMP-001R Restart						
1P	2040	0.3	0.2	0.2	0.1	0.1
2P	2040	0.3	0.3	0.2	0.2	0.2
3P	2040	0.4	0.3	0.3	0.2	0.2
Total Undeveloped						
1P	2040	8.9	4.1	1.6	0.3	-0.4
2P	2040	16.9	10.1	6.3	4.1	2.7
3P	2040	29.8	17.5	10.9	7.1	4.9
Total Developed plus Undeveloped						
1P	2040	20.8	13.8	9.9	7.6	6.2
2P	2040	61.0	42.1	30.8	23.6	18.8
3P	2040	81.2	55.5	40.6	31.3	25.1

Notes

1. Economics for the Undeveloped Other Projects (Palanca F2 Platform workovers, 2023 Light Well Interventions, Impala Well IMP-001R restart) have been determined on an incremental basis to the combined NFA plus water injection restoration projects to reflect the fact that water injection restoration is ongoing.
2. Totals are added arithmetically.

