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This Announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any investment decision in respect of Petro Matad Limited or other evaluation of any securities of Petro Matad Limited or any other entity and should not be considered as a recommendation that any investor should subscribe for or purchase any such securities.

This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). In addition, market soundings (as defined in UK MAR) were taken in respect of certain of the matters contained in this Announcement, with the result that certain persons became aware of such inside information, as permitted by UK MAR. Upon the publication of this Announcement, this inside information is now considered to be in the public domain and such persons shall therefore cease to be in possession of inside information.

For immediate release

3 February 2023

Petro Matad Limited
("Petro Matad" or the "Company")

Results of Capital Raise

Petro Matad Limited ("**Petro Matad**" or the "**Company**") (AIM: MATD), the AIM quoted Mongolian oil company, is pleased to announce that following the accelerated bookbuild which was announced on 2 February 2023, the Company has conditionally raised gross proceeds of US\$6.0 million through the Capital Raising (the "**Placing**") of, and subscriptions by a director and shareholder of the Company (the "**Subscription**" or "**Subscriptions**") for, 195,121,952 new Ordinary Shares ("**Placing Shares**" and "**Subscription Shares**") at a price of 2.5p (the "**Placing Price**") per share.

Shore Capital Stockbrokers ("**Shore Capital**") and Zeus Capital ("**Zeus**") acted as Joint Bookrunners.

Capitalised terms used in this announcement (this "**Announcement**") have the meanings given to them in the launch announcement, unless the context provides otherwise.

Highlights

- The Company has conditionally raised, in aggregate, US\$6.0 million at a price of 2.5 pence per new Ordinary Share.
- Petrovis Matad Inc. (a Substantial Shareholder as defined under the AIM Rules) is participating in the Subscription for a total of 32,520,324 Subscription Shares with a total value of US\$1.0 million.
- Mike Buck, CEO of Petro Matad, is participating in the Subscription for a total of 813,008 Subscription Shares with a total value of US\$25,000.
- Conditionally, in aggregate, a total of 195,121,952 New Shares will therefore be issued, representing approximately 17.8 per cent. of the enlarged share capital.

Retail Offer

As part of the Capital Raising, the Company announced on 2 February 2023 that it was launching a separate retail offer of up to 20,000,000 new Ordinary Shares at the Placing Price on the BookBuild Platform to raise up to a further £500,000 (US\$615,000) to provide existing retail shareholders in the United Kingdom with an

opportunity to participate in the Capital Raising. A separate announcement will be made on the result of the Retail Offer, expected to be released on 8 February 2023.

Admission

Application will be made for the admission of the Capital Raising Shares to trading on the AIM market of London Stock Exchange plc ("**Admission**"). It is expected that such Admission will take place at or around 8.00 a.m. (London time) on 10 February 2023.

Related Party Transaction

As a substantial shareholder, Petrovis Matad Inc.'s participation in the Subscription is deemed to be a related party transaction for the purposes of AIM Rule 13. The independent director of Petro Matad (being for this purpose Tim Bushell), having consulted with the Company's nominated adviser, Shore Capital, considers that the terms of Petrovis Matad Inc.'s participation in the Subscription are fair and reasonable insofar as Shareholders are concerned.

As a director, Mike Buck's intended participation in the Subscription is deemed to be a related party transaction for the purposes of AIM Rule 13. The independent Director of Petro Matad (being for this purpose Tim Bushell), having consulted with the Company's nominated adviser, Shore Capital, considers that the terms of his participation in the Subscription are fair and reasonable insofar as Shareholders are concerned.

Enquiries:

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About Petro Matad

Petro Matad is the parent company of a group focussed on oil exploration, as well as future development and production in Mongolia. At the current time, Petro Matad holds 100% working interest and the operatorship of two Production Sharing Contracts with the Government of Mongolia. Block XX has an area of 218 square kilometres in the far eastern part of the country and Block V has an area of 7,937 square kilometres in the central western part of the country.

Petro Matad Limited is incorporated in the Isle of Man under company number 1483V. Its registered office is at Victory House, Prospect Hill, Douglas, Isle of Man, IM1 1EQ.

Market Abuse Regulation

This Announcement is released by Petro Matad Limited and contains inside information for the purposes of UK MAR and is disclosed in accordance with the Company's obligations under UK MAR. The person who arranged for the release of this Announcement on behalf of Petro Matad Limited was Mike Buck, Chief Executive Officer.

Important Notices

Shore Capital is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA") and Zeus is regulated in the United Kingdom by the FCA. Each of Shore Capital and Zeus is acting exclusively for the Company and no one else in connection with the Placing, and Shore Capital and Zeus will each not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

Forward-looking statements

This Announcement contains statements about Petro Matad that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Petro Matad.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, UK MAR, the Prospectus Rules and/or the FSMA), Petro Matad does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Petro Matad or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Announcement are based on information available to the Directors at the date of this Announcement, unless some other time is specified in relation to them, and the posting or receipt of this Announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings or losses per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings or losses per share of the Company.

The New Shares will not be admitted to trading on any stock exchange other than AIM.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "UK Target Market Assessment").

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on

markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "EU Target Market Assessment" and, together with the UK Target Market Assessment, the "Target Market Assessments").

Notwithstanding the Target Market Assessments, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; Placing Shares offer no guaranteed income and no capital protection; and an investment in Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessments are without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessments, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessments do not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

The notification below, made in accordance with the requirements of the EU Market Abuse Regulation, provides further details of above transactions.

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Mike Buck
2	Reason for the notification	
a)	Position/status	CEO
b)	Initial notification /Amendment	Initial notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Petro Matad Limited
b)	LEI	213800FXLBLLEVK4R858
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Ordinary shares in the Company
	Identification code	IM00B292WR19
b)	Nature of the transaction	Purchase of shares

		Purchase of shares					
c)	Price(s) and volume(s)	Purchase of shares: <table><tr><td>Price</td><td>Volume(s)</td></tr><tr><td>2.5p</td><td>813,008</td></tr></table>		Price	Volume(s)	2.5p	813,008
Price	Volume(s)						
2.5p	813,008						
d)	Aggregated information <ul style="list-style-type: none">- Aggregated volume- Price- Total Value	N/A					
e)	Date of the transactions	2 February 2023					
f)	Place of the transaction	LSE, AIM Market (AIMX)					

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