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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014 (WHICH FORMS PART OF DOMESTIC UK LAW PURSUANT TO THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("EUWA")) ("UK MAR"). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN UK MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED WITHIN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF INSIDE INFORMATION (AS DEFINED UNDER UK MAR). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THOSE PERSONS WHO RECEIVED INSIDE INFORMATION IN A MARKET SOUNDING ARE NO LONGER IN POSSESSION OF SUCH INSIDE INFORMATION, WHICH IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

15 February 2024

Baron Oil Plc

("Baron Oil", "Baron" or the "Company")

Placing and Subscription to raise £3 million

and

Proposed WRAP Retail Offer

Baron Oil (AIM: BOIL), the AIM-quoted oil and gas exploration and appraisal company, announces that it has conditionally raised £3 million (before expenses) by way of an oversubscribed placing and subscription (the "**Placing and Subscription**") of a total of 6,000,000,000 new ordinary shares of 0.025p each in the Company ("**Ordinary Shares**") at a price of 0.05 pence per new Ordinary Share (the "**Issue Price**"). Allenby Capital Limited ("**Allenby Capital**") and Cavendish Capital Markets Limited ("**Cavendish**") are acting as joint brokers in connection with the Placing (together, the "**Joint Brokers**").

The Placing and Subscription has conditionally raised net proceeds of approximately £2.7 million. The Directors intend for the net proceeds of the Placing and Subscription to be used, in conjunction with Baron's existing available cash, to support Baron's share of expenditure on the TL-SO-19-16 Production Sharing Contract ("**Chuditch**" or the "**PSC**"), offshore the Democratic Republic of Timor-Leste in the first half of 2024.

These funds are expected to be applied principally towards a rig deposit, the drilling project team, a site survey, certain long lead items and a bank guarantee.

In addition to the Placing and Subscription, it is proposed that there will be a separate conditional retail offer to existing shareholders via the Winterflood Retail Access Platform ("**WRAP**") to raise up to approximately £300,000 (before expenses) at the Issue Price (the "**WRAP Retail Offer**"), and together with the Placing and Subscription, the "**Fundraise**"), to provide existing retail shareholders in the Company an opportunity to participate in the Fundraise. A separate announcement will be made shortly by the Company regarding the WRAP Retail Offer and its terms.

Those investors who subscribe for new Ordinary Shares pursuant to the WRAP Retail Offer (the "**WRAP Retail Shares**") will do so pursuant to the terms and conditions of the WRAP Retail Offer contained in that announcement.

Andy Xue, Chief Executive Officer of Baron, commented:

Andy Teo, Chief Executive Officer of Baron, commented:

"This funding, in conjunction with our existing available cash, will allow us to push on with the preparations for the drilling of the Chuditch-2 appraisal well planned for Q4 2024. These preparations will also include progressing drill financing. In a drilling success case, we expect to be able to validate a significant resource to create real value for shareholders.

As the Company values its retail shareholder base we are also pleased to be able to announce a retail offer via the Winterflood Retail Access Platform ("WRAP") for existing shareholders."

Background to the Fundraise

Farm-Up with TIMOR GAP and other Farm-Out and funding discussions

On 8 February 2024, Baron announced the completion of the assignment of a 15% working interest in the Chuditch PSC to TIMOR GAP Chuditch Unipessoal Lda. (**TIMOR GAP**), the existing joint venture partner on the PSC and a wholly owned subsidiary of TIMOR GAP E.P. the Timor-Leste National Oil and Gas Company (the "**Farm-Up**").

Following completion of the Farm-Up, Baron has retained operatorship and holds a 60% working interest in the Chuditch PSC, while TIMOR GAP has a 40% interest. TIMOR GAP is responsible for paying 20% of all costs of the PSC, including the drilling of the planned Chuditch-2 appraisal well, with Baron responsible for the remaining 80%.

The Directors consider that the Farm-Up by TIMOR GAP has a value to Baron of approximately US\$8.5 million made up of a reimbursement for back costs of c.US\$1 million and in the offset of future spend which in 2024 is estimated to be around US\$7.5 million.

The Directors consider that the Farm-Up is a significant step towards drill funding, as it demonstrates government financial commitment to Chuditch and provides technical and commercial validation. The Directors also consider that the Farm-Up allows for early engagement to secure a drilling slot and demonstrates positive momentum with the Chuditch project.

Baron is currently party to other Farm-Out and funding discussions which are ongoing and where progress continues. In addition, the Directors believe that it is an opportune moment to re-invigorate Baron's Chuditch Farm-Out programme, emphasising government validation, partial funding from the Farm-Up and operational progress, in order to add impetus to other funding discussions. The Directors believe that Baron's large remaining interest in the PSC is attractive to various types of potential Farm-Out and funding partners.

Next Steps Towards Chuditch-2 appraisal and evaluation status

Baron is preparing for operations to drill and flow test the Chuditch-2 appraisal well in late 2024, subject to the availability of a rig, drilling services and the completion of drill finance. In this respect, discussions are underway to secure a rig slot and on 12 February 2024 the Company announced that it had entered into contracts to conduct a site survey at the planned drilling location for the Chuditch-2 appraisal well. Contract Year 3 of the PSC, which commences on 19 June 2024, includes a commitment to drill an appraisal well by 18 June 2025.

The Chuditch-2 appraisal well location represents a significant updip step-out, which is 4.8km from the Chuditch-1 discovery well drilled by Shell in 1998.

Baron's key objectives from the Chuditch-2 appraisal well include:

- prognosing a potential 133 metre gas column, versus a 30 metre column at the original Chuditch-1 location
- validating gas resource estimates

- performing a production flow test (drill stem test) to enable future field development planning

Advanced well planning in relation to the Chuditch-2 appraisal well is underway. Baron is also evaluating potential gas development and export options.

Baron's current activities in relation to advancing the Chuditch project include:

- Discussions with rig owners
- Identifying potential logistical synergies with regional operators
- Progressing the environmental approvals process
- Preparing to conduct a site survey at the proposed Chuditch-2 appraisal well location
- Commencing the procurement process for long lead items
- Updating of the well design and costs
- Recruiting for key posts, including Well Operations, Health, Safety and Environmental and Procurement
- Ongoing discussions with Farm-Out and other potential funding partners, as part of the Farm-Out campaign

Key anticipated milestones

The Board anticipates the following key milestones for the Chuditch project in 2024:

- Site survey at the proposed Chuditch-2 appraisal well location in the first quarter of 2024
- Completion of drill funding and securing a rig slot in the second quarter of 2024
- Obtaining the required environmental and drilling approvals in the third quarter of 2024
- Well mobilisation, well spud and drilling results in the fourth quarter of 2024

Indicative Chuditch use of funds to the end of H1 2024

The Placing and Subscription is anticipated to raise net proceeds of approximately £2.7 million.

The indicative use of funds for the Chuditch project to the end of the first half of 2024, as shown below, is intended to be satisfied via the net proceeds of the Placing and Subscription supported by the Company's existing available cash. As at 31 December 2023 the Company had an available cash position of approximately £3.65 million (excluding a US\$1 million bank guarantee and overseas account balances).

Baron's indicative use of funds for the Chuditch project to the end of the first half of 2024 is as follows¹:

	(£) million ²
Site Survey	0.5
Drilling Project Team	0.6
Long Lead Items	0.4
Estimated Initial Rig Deposit, Estimated Bank Guarantee & General Project Expenses	2.5
Total (£) ³	4.0

1. Represents pre-Contract Year 3 of the PSC expenditure to the end H1 2024, which may be subject to change as a result of future events

Future Events

2. Amounts shown are net to Baron's 80% paying interest, following completion of the Farm-Up.
3. All uses of funds are indicative; a Bank Guarantee of US\$1m for Contract Year 2 of the PSC is in place.

It is proposed that the net proceeds of the WRAP Retail Offer, which will represent a maximum of an additional approximately £0.285 million, will be generally applied towards Baron's indicative use of funds for the Chuditch project to the end of the first half of 2024¹ as indicated above.

The gross expenditure for the Chuditch PSC in the second half of 2024, including the planned Chuditch-2 appraisal well, is estimated to be US\$31 million.

Details of the Placing and Subscription

The Fundraise comprises a placing (the "**Placing**") of 5,936,000,000 new Ordinary Shares (the "**Placing Shares**") and a subscription of 64,000,000 new Ordinary Shares (the "**Subscription Shares**") and up to 600,000,000 WRAP Retail Shares (together the "**Fundraise Shares**") at the Issue Price. The Fundraise Shares are to be issued pursuant to the authorities granted to the Board at the Company's annual general meeting held on 29 June 2023 on a non-pre-emptive basis.

Completion of the WRAP Retail Offer is conditional, *inter alia*, upon completion of the Placing and Subscription. Completion of the Placing and Subscription is not conditional on the completion of the WRAP Retail Offer.

It is anticipated that an application will be made to London Stock Exchange plc ("**London Stock Exchange**") for the Placing Shares, the Subscription Shares and the WRAP Retail Shares (once the final number of WRAP Retail Shares to be issued is determined) to be admitted to trading on the AIM market of the London Stock Exchange ("**Admission**"). It is currently anticipated that Admission will become effective, and that dealings in the Placing Shares, Subscription Shares and WRAP Retail Shares will commence on AIM, at 8.00 a.m. on or around 29 February 2024.

Director and PDMR participation

Andrew Yeo and Andrew Butler have subscribed for a total of 76,000,000 new Ordinary Shares at the Issue Price in the Placing and Subscription (the "**PDMR Participation**"). Details of the PDMR Participation are outlined in the table below.

Director/PDMR	Position	new Ordinary Shares being subscribed	Shareholding following Admission	Indicative percentage of enlarged share capital following Admission ¹
Andrew Yeo	Chief Executive Officer	12,000,000	205,000,000	0.80%
Andrew Butler	Director, Asia Pacific	64,000,000	692,601,442	2.71%

¹ Indicative enlarged share capital following Admission in this context assumes full take-up under the WRAP Retail Offer.

The FCA notification, made in accordance with the requirements of UK MAR is appended further below.

Other

Notice 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 and as this is applied in the United Kingdom

("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and Regulation (EU) No 600/2014 of the European Parliament, as they form part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended; 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 Fundraise Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors who do not need a guaranteed income or capital protection 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 **"Target Market Assessment"**). The Fundraise Shares are not appropriate for a target market of investors whose objectives include no capital loss. Notwithstanding the Target Market Assessment, distributors should note that: the price of the Fundraise Shares may decline and investors could lose all or part of their investment; the Fundraise Shares offer no guaranteed income and no capital protection; and an investment in the Fundraise Shares is compatible only with investors who do not need a guaranteed income or capital projection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraise. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Allenby Capital and Cavendish will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; 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 the Fundraise Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.

Forward Looking Statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this announcement and include statements regarding the Directors' beliefs or current expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.

Notice to overseas persons

This announcement does not constitute, or form part of, a prospectus relating to the Company, nor does it constitute or contain any invitation or offer to any person, or any public offer, to subscribe for, purchase or otherwise acquire any shares in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it form the basis of or be relied on in connection with any contract or as an inducement to enter into any contract or commitment with the Company.

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General

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Allenby Capital, which is authorised and regulated by the FCA in the United Kingdom, is acting as nominated adviser and joint broker to the Company in connection with the Placing. Allenby Capital will not be responsible to any person other than the Company for providing the protections afforded to clients of Allenby Capital or for providing advice to any other person in connection with the Fundraise. Allenby Capital has not authorised the contents of, or any part of, this announcement, and no liability whatsoever is accepted by Allenby Capital for the accuracy of any information or opinions contained in this announcement or for the omission of any material information.

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Qualified Person's Statement

The technical information and resource reporting contained in this announcement has been reviewed by Jon Ford BSc, Fellow of the Geological Society, Technical Director of the Company. Mr Ford has more than 40 years' experience as a petroleum geoscientist. He has compiled, read and approved the technical disclosure in this regulatory announcement.

For further information, please contact:

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Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

1.	Details of the person discharging managerial responsibilities/person closely associated	
(a)	Full name of person Dealing	Andrew Yeo
2.	Reason for notification	
(b)	Position/status	Chief Executive Officer

(c)	Initial notification/ Amendment	Initial notification	
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
(d)	Name of entity	Baron Oil Plc	
(e)	LEI	213800MBSOS9UZ5SW712	
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
(a)	Description of the financial instrument, type of instrument	Ordinary shares of 0.025 pence each in the Company	
(b)	Identification code	GB00B01QGH57	
(c)	Nature of the transaction	Acquisition of Ordinary Shares in Placing	
(d)	Price(s) and volume(s)	Prices(s)	Volume(s)
		0.05 pence per new Ordinary Share	12,000,000
(e)	Aggregated information: - Aggregated volume - Price	12,000,000 0.05 pence per new Ordinary Share	
(f)	Date of transaction	15 February 2024	
(g)	Place of transaction	Outside a trading venue	

1.	Details of the person discharging managerial responsibilities/person closely associated	
(a)	Full name of person Dealing	Andrew Butler
2.	Reason for notification	
(b)	Position/status	Director, Asia Pacific
(c)	Initial notification/ Amendment	Initial notification
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
(d)	Name of entity	Baron Oil Plc
(e)	LEI	213800MBSOS9UZ5SW712
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
(a)	Description of the financial instrument, type of instrument	Ordinary shares of 0.025 pence each in the Company

(a)	Description of the financial instrument, type of instrument	Currency, number of shares, price paid for each in the Company		
(b)	Identification code	GB00B01QGH57		
(c)	Nature of the transaction	Acquisition of Ordinary Shares in Subscription		
(d)	Price(s) and volume(s)	Prices(s)	Volume(s)	
		0.05 pence per new Ordinary Share	4,000,000	
(e)	Aggregated information: - Aggregated volume	64,000,000		
	- Price	0.05 pence per new Ordinary Share		
(f)	Date of transaction	15 February 2024		
(g)	Place of transaction	Outside a trading venue		

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