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03 March 2025

**ADM Energy PLC**

("ADM" or the "Company")

**Posting of Circular and Notice of General Meeting**

ADM Energy PLC (AIM: ADME; BER and FSE: P4JC), a natural resource investing company, announces the posting of a circular to all Shareholders containing a notice of general meeting and form of proxy, seeking shareholder approval for a capital reorganisation, proposed amendment to the Articles of Association, and conditional subscription to raise £313,000 via the issue of 313,000,000 New Ordinary Shares of 0.001 pence per ordinary share at an Issue Price of 0.1 pence per share (the "**Subscription**") (together the "**Circular**").

The General Meeting is due to be held at the offices of offices of Shakespeare Martineau LLP at 60 Gracechurch St, London, EC3V 0HR at 12:00 p.m. on 24 March 2025.

Extracts from the Circular are appended to this announcement. The Circular can be found on the Company's website <https://admenergyplc.com/>.

Capitalised terms in this announcement have the meaning ascribed to them in the Definitions section of the Circular.

**Market Abuse Regulation (MAR) Disclosure**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

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**About ADM Energy PLC**

ADM Energy PLC (AIM: ADME; BER and FSE: P4JC) is a natural resources investing company with investments including 100% interest in Vega Oil and Gas; a 30.6% economic interest in JKT Reclamation, LLC; a 46.8% economic interest in OFX Technologies, LLC ([www.ofxtechnologies.com](http://www.ofxtechnologies.com)); and a 9.2% profit interest in the Aje Field, part of OML 113, which covers an area of 835km<sup>2</sup> offshore Nigeria. Aje has multiple oil, gas, and gas condensate reservoirs in the Turonian, Cenomanian and

Albian sandstones with five wells drilled to date.

### Forward Looking Statements

Certain statements in this announcement are, or may be deemed to be, forward-looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward-looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

### EXPECTED TIMETABLE OF EVENTS

2025

Publication and posting to Shareholders of this document	03 March
Latest time for receipt of Forms of Proxy for the General Meeting	12:00 p.m. on 19 March
General Meeting	12:00 p.m. on 21 March
Record date for the subdivision and reclassification of the Existing Ordinary Shares	6:00 p.m. on 21 March
<i>On or around:</i>	
Admission of the Admission Shares	8:00 a.m. on 24 March
CREST accounts credited with the Admission Shares	Morning of 24 March
Dispatch of definitive share certificates in respect of the Admission Shares	No later than 07 April

### STATISTICS OF THE PROPOSED CAPITAL REORGANISATION, SUBSCRIPTION, INVESTMENT, FUNDING OBLIGATION AND DEBT SETTLEMENTS

	Value £	Number No. Shares	Nominal p
<b>Share Capital (as at 27 February 2025)</b>			
Market Capitalisation	£941,796		
Share Price	£0.0015		1.00
Existing Ordinary Shares		627,863,811	1.00
<b>Subdivision</b>			
Capital Reorganisation Shares following the Subdivision		627,863,811	0.001
Number of Deferred Shares following the Subdivision		627,235,947,189	0.001
<b>Issue of Equity</b>			
Subscription Shares		313,000,000	0.001
Consideration Shares		109,995,000	0.001
Funding Obligation Shares		48,494,000	0.001
Debt Settlement Shares		191,980,000	0.001
<b>Admission Shares</b>		<b>1,291,332,811</b>	<b>0.001</b>
<b>Market Capitalisation at the Issue Price</b>	<b>£1,291,333</b>		

### CHAIRMAN'S LETTER

#### 1. Introduction

The purpose of this document is to set out the details of, and reasons for, the proposed Capital Reorganisation and conditional Subscription. In order for the conditional Subscription to be completed, as the current share price of the Company is trading below its nominal value, the Company is required to undertake the Capital Reorganisation in order to reduce the nominal value of the ordinary shares in the Company. The proposed Capital Reorganisation requires the approval of Shareholders at a general meeting and, accordingly, at the end of this document is a notice convening a General Meeting of the Company to consider and, if thought fit, approve *inter alia* the Capital Reorganisation and the granting of share authorities in order to allow the Directors to complete the conditional Subscription, in addition to the subsequent amendments to the Company's Articles of Association and proposed transactions.

#### 2. Background to and reasons for the Capital Reorganisation, Subscription, Investment and Name Change

In my statement in the Company's Final Results for the year ended 31 December 2023, I commented that: *2023 marked the*

*beginning of a rebuilding of ADM from the ground up. This rebuilding has to date focused on establishing a solid foundation from which to grow shareholder value in the future."*

The foundation upon which ADM will grow shareholder value comprises two investments in the United States of America (the "**US Investments**") both of which are revenue and cash generative:

1. JKT Reclamation, LLC (**JKT**) in which the Company acquired a 30.6% economic interest effective 1 January 2024 (announced on 8 April 2024); and,
2. Vega Oil and Gas, LLC (**Vega**) in which the Company acquired a 100.0% equity interest effective 1 June 2024 (announced on 26 June 2024).

In line with the Company's strategy of concentrating on cash generating investments, and, further, in accordance with the review of the Company's 12.3% cost share and 9.2% profit share interest in the OML-113 site of the Aje Oil Field, offshore Lagos ("**Aje**"), the Company is undergoing appraisal of the benefits of divesting of its interests in Aje ("**Proposed Divestiture**"). Further information on this intention has been included below. Subject to the completion of the Proposed Divestiture, the Company is currently considering the options available to it in order to the Net Cash Proceeds resulting from the Proposed Divestiture to Eligible Shareholders in the Company.

The Capital Reorganisation and Subscription is not contingent upon completion of the Proposed Aje Distribution which may be completed by the Company at a later date. The Company will update the market further in due course.

#### *JKT Reclamation*

In the six-month period ended 30 June 2024, JKT, which focuses on the aggregation, processing and sale of crude oil volumes that do not meet refiner/purchaser specifications (the "**Midstream Business**"), sold 5,029 barrels of oil generating unaudited revenue of approximately US 480,000 and adjusted operating cash flow of approximately US 124,000 in the first half of 2024, after adjusting for non-recurring regulatory compliance costs (c. US 65,000) and certain equipment rental expenses (US 32,000) resulting in an operating cash flow margin of c. 25.8%.

During 2025, the focus of the Company will be on the growth of JKT which currently operates from its 20-acre facility in Wilson, Oklahoma (the "**Wilson Facility**"). Additionally, the Wilson Facility has approximately 4,000 barrels of oil storage capacity, a 500-barrel mixing tank and a heating unit. The Company is currently contemplating entering into an agreement with another facility nearby and further details on this potential agreement will be announced in due course. The staff and management of JKT believe that these physical assets are capable of supporting monthly processing volumes of up to 30,000 barrels per month without requiring substantial investment.

In addition to the physical assets to support substantial growth in oil sales from the midstream business, the Company believes that JKT has the relationships and personnel to procure substantial volumes for processing and sale.

ADM's strategy with respect to JKT is two-fold:

- (i) to increase our ownership interest in JKT by purchasing additional membership interest; and
- (ii) to continue to invest in the facility and in order to, *inter alia*, continually increase its processing capacity and revenue potential.

To this end, and conditional on the Resolutions being passed, the Company has agreed to acquire a further membership interest in JKT, further details of which are below. The Company believes that JKT has the potential to quickly generate significant cash flow which would assist in funding the administration costs of the Company and allow it to reinvest into other projects.

#### *Vega Oil and Gas*

Vega Oil and Gas LLC owns three oil wells in Moore County, Texas (the "**Upstream Business**"). Of the three wells, the Sneed 415 well is currently producing, and in the one-month period between the effective date of the acquisition (1 June 2024) and 30 June 2024 sold 450 barrels, generating approximately US 26,000 in cash. From the end of June to the end of October 2024 this well generated an average of US 27,000 per month in operating cash flow.

With respect to Vega, the strategy for the remainder of 2025 is to link and incorporate the two offline Thompson wells to the producing Sneed 415 well, whilst seeking further acquisitions or lease farm-in opportunities, with the objective of initiating a drilling program, following commencement of production at all three wells which is expected to be achieved in H1 2025.

In addition to the growing and developing the US Investments, the Company maintains its focus on rebuilding its balance sheet, with particular attention to restructuring and repaying legacy creditors. The Capital Reorganisation contemplated in this circular includes the conversion of approximately £355,000 of creditors into 191,980,000 New Ordinary Shares at the Issue Price.

The Company is also proposing to change its name to "Vega Energy PLC".

It is contemplated that at some point, JKT will be renamed and together with the Company's 100% owned company, Vega Oil and Gas, LLC, constitute the primary investments held by Vega Energy PLC.

Finally, it is proposed that Mr Randall J. Connally will be appointed to the Board of Directors as Chief Executive Officer subject to the completion of all due diligence and regulatory checks, pursuant to the AIM Rules for Companies. The Board of Directors and Remuneration Committee have approved a compensation package for Mr Connally, in which he will receive a reduced salary to limit costs to the Company while it operates under a carefully monitored cash position, and he will be provided with a long-term incentive plan tied to the performance of the Company and its investments. This will be implemented to provide incentives to Mr Connally to work with the management teams of JKT and Vega in order to achieve the investing objectives of the Company, specifically, the generation of cash distributions to the Company in keeping with the focus on cash flow by the Board of Directors.

Pursuant to the Companies Act 2006, the Company is prohibited from issuing new shares below their nominal value of £0.01 (1.0 pence) per share. As the Company's current share price is trading below its nominal value, this restriction prevents the Company from raising additional equity investment to meet its working capital requirements and facilitate the further funding and developments of its cash generative U.S. investments.

The Capital Reorganisation reduces the nominal value by a factor of 1000, from £0.01 (1.0 pence) to £0.00001 (0.001 pence), via a subdivision of each of the ordinary shares in issue into one (1) New Ordinary Share of £0.00001 (0.001 pence) each and nine hundred and ninety-nine (999) Deferred Shares of £0.00001 (0.001 pence), the rights of which are set out on the articles included in this document. The effect of this Capital Reorganisation will be:

- (i) to reduce the nominal value of the shares in issue to below the Company's current share price;
- (ii) allow the Company to raise further capital in order to continue the strategy initiated by the Board in January 2023 and facilitate further follow-on fundraises; and
- (iii) and promote trading in the Company's issued share capital.

### **3. Conditional Subscription and Broker Option**

Conditional on the Resolutions being passed at the General Meeting, the Company has raised £313,000 via a Subscription for 313,000,000 New Ordinary Shares at a subscription price of £0.001 (0.1 pence) per New Ordinary Share (the "**Subscription Shares**") ("**Conditional Subscription**"). The Conditional Subscription has been undertaken with new and existing shareholders participating.

In the announcement of 21 February 2025, the Company announced that it had entered into an agreement with OFX Holdings, LLC ("**OFXH**") a company owned and controlled by Claudio Coltellini, a director of the Company, and an existing

holdings, LLC ("OFXH"), a company owned and controlled by Claudio Cortina, a director of the Company, and an existing significant shareholder in the Company, such that OFXH would provide a capital commitment of up to £120,000 ("**Proposed Financing**") which would be provided to the Company in three equal tranches of £40,000 over the subsequent 90 days from 21 February 2025. As of the date of this document, the Proposed Financing has been renegotiated by the Company and OFXH, as under the terms of the agreement, and has been structured as a participation in the Conditional Subscription, with OFXH subscribing for a total of £120,000.

Conditional on the Resolutions being passed at the General Meeting and further to the Conditional Subscription, the Company and Novum Securities Limited ("**Novum**") have agreed to launch a broker option to raise up to a further £250,000 for the Company through the issue of up to 250,000,000 New Ordinary Shares ("**Broker Option**") at the Issue Price, in order to provide certain eligible existing shareholders the ability to participate in the Subscription, in the event they have not had the opportunity to do so.

The Broker Option is expected to close at 5.00 p.m. on 14 March 2025 ("**Closing Date**"). As far as is practical, participation in the Broker Offer will be available for eligible shareholders (direct or indirect) on the register at the close of business on 13 March 2025 ("**Existing Shareholders**"). In the event any Existing Shareholders subscribe for additional new ordinary shares pursuant to the Broker Option, a further announcement will be made following the Closing Date with details of further subscription. If the Broker Option is not fully subscribed before the Closing Date, orders from eligible investors will be satisfied in full and the balance of the Broker Option shall lapse. In the event the Broker Option is oversubscribed, the Company and its broker may scale down any subscriptions received and may accept offers for subscription in the order in which they are received. Application for admission to trading on AIM for shares subscribed for in the Broker Option will only occur following receipt of subscription proceeds. In the event such subscription proceeds are not received by 5.00 p.m. on 14 March 2025, the Company will reject such subscriptions.

To subscribe for the Broker Option, Existing Shareholders should contact their broker to communicate any bids to Novum corporatebroking@novumsecurities.com, as the Company's broker will not accept orders from Existing Shareholders who are not clients.

In conjunction the Subscription, the Company announces that it has appointed Novum as Broker to the Company with immediate effect. As such, Cairn Financial Advisers LLP will cease to act as Broker to the Company with immediate effect.

#### 4. Distribution of Net Cash Proceeds from the Proposed Divestiture

The Company is currently exploring the potential for, and the benefits of, a divestment of its 12.3% cost share and 9.2% profit share interest in OML-113, Aje Field, offshore Nigeria ("**Proposed Divestiture**").

Whilst no sale has been agreed for Aje at this stage, the Company is in discussions with potentially interested parties. Therefore, the Company is reviewing the options available to it to be able to return value directly to Eligible Shareholders as defined in this Circular. The mechanism through which this will be achieved has yet to be definitively determined and may include formation of a special purpose vehicle (an "SPV"). If an SPV is formed to facilitate the distribution of proceeds from a Proposed Divestiture, it is the intention that the Eligible Shareholders will have a right of first refusal to participate in the formation of the SPV.

In the event a suitable mechanism can be established, it is the current intention of the Directors, following the Proposed Divestiture to distribute to Participating Shareholders, a proportionate share of the net cash proceeds ("**Net Cash Proceeds**") which it defines as follows:

- (a) Gross cash proceeds (excluding any deferred or contingent payment) less
- (b) any Capital Investment (as defined) by the Company between 1 Feb 2025 and the closing of the divestiture;
- (c) legal and transaction costs;
- (d) any taxes or regulatory fees; and
- (e) US 250,000 to be retained by the Company.

A capital investment may include any cash calls or other cash investment funded by the Company including any fees or expenses associated with securing the capital to meet any such cash calls and a cost of capital of twelve percent (12%) per annum thereon ("**Capital Investment**").

Closing of the Capital Reorganisation and Subscription is not contingent upon completion of the Proposed Divestiture which may be completed by the Company at a later date. Additionally, the completion of any divestment of Aje will be conditional on the consent of the Nigerian Minister of Petroleum Resources.

The Company will update the market further in due course.

#### 5. Conditional Investment in JKT

Conditional on the Resolutions being passed at the General Meeting, the Company has agreed to increase its ownership interest in JKT via the purchase of:

- a further 5.4% economic interest in JKT, representing a 20% Class B Membership Interest in SW Oklahoma Reclamation, LLC ("**SWOK**"), purchased from Ventura Energy Advisors, LLC ("**VEA**"); and
- a 7.8% economic interest, representing a 7.8% Class A Membership Interest in JKT.

As announced on 8 April 2024 regarding the classes of units in SWOK, the Class A Units are intended to provide a preferential return to holders (typically the investors providing capital) prior to significant distributions to other parties. The Class B Units typically represent an incentive interest. The Class A and Class B Units split future distributable cash based on the Class A Units achieving certain payout thresholds. As such, the Class A Units will receive 70% of the distributable cash of JKT Reclamation from 1 January 2024 until US 356,250 has been distributed ("**Tier 1 Distribution**"), thereafter the Class A Units will receive 51% of distributable cash ("**Tier 2 Distribution**"). The Class B Units will receive all distributions not paid to the Class A Units. The Class A Units and the Class B Units each have 50% of the voting rights of SWOK.

Subsequently, this investment will increase the Company's net economic interest in JKT from 30.6% to 41.4% (a 10.8% increase, netted down from 13.2% as a result of recent dilutive transactions completed by JKT), for a total consideration of US 132,096 (£109,995) ("**JKT Conditional Investment**"), comprising issuance of 109,995,000 shares at the Issue Price ("**Consideration Shares**").

#### 6. Funding Obligations and Issue of Equity

Pursuant to the investments made in both JKT and Vega, effective 1 January 2024 and 1 June 2024 respectively, as a part of the investment agreements the Company took on certain obligations in order to provide financing to the investee

companies, in order to facilitate the growth and development of the assets, and support the costs of any refurbishment of restoration works to be carried out ("**Funding Obligations**"). The Company, in order to meet its funding obligations, in addition to maintaining its working capital position, has elected to settle the remainder of the funding obligations owed, via the issue of 48,494,000 shares in the Company at the Issue Price ("**Funding Obligation Shares**") representing a value of approximately £48,500.

The Funding Obligation payment pursuant to the Vega investment comprises 30,000 Units (the statutory term for equity interests in a limited liability company in the United States) via the issuance of 24,246,343 ordinary shares of the Company at the Issue Price to a third-party in lieu of payment of certain obligations ("**Vega Consideration Shares**"), representing an approximate value of £24,250. The Vega Consideration Shares will be subject to a one-year lock-in and by mutual agreement the share certificate will be held by the Company.

## 7. Debt for Equity Conversion

Debt-for-equity conversion agreements ("**Debt Conversion Agreements**") have been reached with a number of creditors totalling £355,155 in accrued liabilities which, following a negotiated reduction of the face value by approximately £163,000, will be converted into 191,980,000 New Ordinary Shares ("**Debt Settlement Shares**") in the Company at a price of £0.001 (0.1 pence). Creditors being converted include Lord Henry Bellingham and Claudio Coltellini, each being Directors of the Company and therefore, related parties of the Company, along with additional creditors converting, as detailed below:

<u>Debt Conversion</u>	<u>Amount</u>	<u>Discount</u>	<u>Settlement Amount</u>	<u>Shares</u>
Ventura Energy Advisors	£163,175	(£163,175)	-	-
Additional Creditors	£136,230	-	£136,230	136,230,000
Lord Henry Bellingham	£35,750	-	35,750	35,750,000
Claudio Coltellini	£20,000	-	20,000	20,000,000
<b>Total</b>	<b>355,155</b>	<b>(163,175)</b>	<b>191,980</b>	<b>191,980,000</b>

## 8. Immediate Loan Agreement

On 13 February 2025 the Company and Catalyse Capital Ltd entered into a loan agreement, in which Catalyse agreed to provide the Company with £30,000 to be used for meeting a recent small cash call obligation in respect of the Company's investment in Aje ("**New Loan Agreement**").

Under the terms of the New Loan Agreement, by either the earlier of completion of the Fundraise, or 15 March 2025, the Company is required to pay:

- i) the principal sum of the loan in full; and
- ii) an arrange fee of £30,000 via the issuance of New Ordinary Shares, coincident with completion of the Fundraise and at the Issue Price ("**Arrangement Fee**").

Should the Fundraise not be completed by 25 March 2025, the Arrangement Fee basis will become payable in cash.

## 9. Warrant Agreements

Pursuant to the terms of existing loan agreements with the Company, Catalyse Capital Ltd ("**Catalyse**") was granted warrants over ordinary shares in the Company ("**Catalyse Warrant Agreement**"). The Catalyse Warrant Agreement contained a variation of capital clause, permitting the number of warrants and to be adjusted as a representative portion of the voting rights in the Company in the event of future dilutive events during the term of the loan. In line with the terms of the Catalyse Warrant Agreement, Catalyse would have been issued 150,000,000 warrants over New Ordinary Shares with an exercise price of the Issue Price for a term of three and a half years. Additionally, Catalyse has agreed to delay all further loan repayments until 31 July 2025, at which point the Company will be required to pay back the remainder of the loan principal and accrued interest.

The Company has additionally agreed to grant 30,000,000 warrants over New Ordinary Shares to a creditor of the Company. The warrants are exercisable at the 0.2p for a period of five years from the date of this document.

## 10. Proposed Board Changes

On 21 February 2025, prior to the completion of the Capital Reorganisation, and Subscription Stefan Olivier, Chief Executive Officer of ADM resigned with immediate effect.

Also on 21 February 2025, Mr Claudio Coltellini, a former Director of the Company who resigned in December 2024, was reappointed as a Non-executive Director with immediate effect. Mr Coltellini will provide advice in relation to the Company's strategy to align focus with the US Investments and support the Company in light of the board changes.

Further to the above, it has been agreed that Mr Randall Connally will join the board as Executive Director and Chief Executive Officer subject to the completion of the required due diligence and regulatory checks. Mr Connally's appointment to the board is expected to be announced shortly.

## 11. Related Party Transactions

The renegotiation of the Proposed Financing agreement between OFX Holdings, LLC and the Company, and OFXH's subsequent participation in the Subscription ("**Subscription Participation**"), constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules, by virtue of OFXH being a substantial shareholder in the Company and a company owned and controlled by Mr Claudio Coltellini, a director of the Company. With the exception of Mr Claudio Coltellini, the Directors of the Company independent of the transaction (being Dr Stefan Liebing and Lord Henry Bellingham) consider, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP, that the terms of the Subscription Participation are fair and reasonable insofar as its shareholders are concerned.

The acquisition of the additional 5.4% economic interest in JKT by the Company from VEA ("**JKT Conditional Investment**"), constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules, by virtue of VEA being a company owned and controlled by Mr Randall Connally (who also owns and controls OFXH, a substantial shareholder in the Company). The Directors of the Company independent of the transaction (being Mr Claudio Coltellini, Dr Stefan Liebing and Lord Henry Bellingham) consider, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP,

that the terms of the JKT Conditional Investment are fair and reasonable insofar as its shareholders are concerned.

The Debt Conversion Agreements entered into by Claudio Coltellini and Lord Henry Bellingham, are related party transactions for the purposes of Rule 13 of the AIM Rules, by virtue of each party being a Director of the Company and therefore a related party. With the exception of Claudio Coltellini and Lord Henry Bellingham, the Director of the Company independent of the transaction (being Dr Stefan Liebing) considers, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP, that the terms of the Debt Conversion Agreements are fair and reasonable insofar as its shareholders are concerned.

## 12. The Capital Reorganisation

The Companies Act 2006 prohibits the issue of shares at a price below their nominal value. In such situations, companies typically seek to reorganise their capital structures with the effect of lowering the nominal value of their shares. At present, the issued ordinary share capital of the Company comprises 627,863,811 ordinary shares of £0.01 (1 pence) each ("**Existing Ordinary Shares**").

The Directors are proposing a capital reorganisation by way of;

- ❖ **Share Subdivision and Share Reclassification** subdivide and reclassify each Existing Ordinary Share held on the Record Date into nine hundred and ninety nine (999) Deferred Shares and one (1) New Ordinary Share of £0.00001 (0.001 pence) each.

The proposal set out above is to be effected by the passing of Resolution 1 to be proposed at the General Meeting.

To illustrate the effect of the Capital Reorganisation, please refer to the table at the front of this document.

The rights attached to the New Ordinary Shares remain the same as the Existing Ordinary Shares.

The Deferred Shares will have no right to vote and a very limited right to participate in the capital of the Company save in respect of insolvency as are set out in the amended articles in this document. The Company will not issue any certificates or credit CREST accounts in respect of them. The Deferred Shares will not be admitted to trading on any exchange.

Save for the warrants pursuant to the New Warrant Agreement, existing granted options over ordinary shares and warrants over ordinary shares are unaffected by the Capital Reorganisation.

## 13. Amendment to the Articles

As a consequence of the Share Capital Reorganisation, a resolution will be proposed at the General Meeting to amend the Articles by the inclusion of the share rights attaching to the Deferred Shares.

Resolution 2 has been proposed to Shareholders as a special resolution to amend the Articles and a copy of the Company's existing articles and proposed amendment to the Articles can be found on the Company's website, <https://admenergyplc.com>.

The rights of the Deferred Shares are set out in the amended Articles. The amended Articles will also be available for inspection at the General Meeting at least 15 minutes prior to the start of the General Meeting and up until the close of the General Meeting.

## 14. Dealing and Settlement

The Capital Reorganisation will be effected by reference to Shareholders and their holdings of Existing Ordinary Shares on the register as at the close of business on the Record Date and is conditional on permission being granted by the London Stock Exchange for the Admission Shares to be admitted to trading on AIM.

Subject to the Resolutions being passed, it is expected that dealings in the Existing Ordinary Shares and their settlement in CREST will continue until the close of business on 21 March 2025 when, in the case of Existing Ordinary Shares held in certificated form, the register will be closed for transfers. The registration of uncertificated holdings in respect of Existing Ordinary Shares will be disabled. It is expected that Admission of the Admission Shares will become effective and that dealings in the Admission Shares will commence at 8:00 a.m. on 24 March 2025.

It is intended that new share certificates will be sent to Shareholders, who hold their shares in certificated form, following Admission. These new share certificates will set out the number of Admission Shares owned by a Shareholder on completion of the Capital Reorganisation and will replace existing share certificates. Definitive certificates for the Admission Shares are expected to be dispatched by post no later than 7 April 2025. Temporary documents of title will not be issued. Pending dispatch of definitive share certificates, transfers Admission Shares held in certificated form will be certified against the register held by Computershare Investor Services PLC. Shareholders who hold their Existing Ordinary Shares in uncertificated form are expected to have their CREST accounts credited with the Admission Shares as soon as possible after 8:00 a.m. on 24 March 2025.

The Admission Shares' ISIN and SEDOL codes are set out below:

LEI	213800DY7G8EEJCCOL47
ISIN	GB00BJFDXW97
SEDOL	BJFDXW9

## 15. Overseas Shareholders

The implications of the Capital Reorganisation on Overseas Shareholders may be affected by the laws of their respective jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements in such jurisdictions. It is the responsibility of Overseas Shareholders to satisfy themselves as to the full observance of the laws of each relevant jurisdiction in connection with the Capital Reorganisation, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with other necessary formalities which are required to be observed and/or the payment of any taxes due in each jurisdiction. Overseas Shareholders who are in any doubt about their position should consult their professional advisers in the relevant territory.

## 16. Taxation

The Directors have been advised that for the purposes of UK taxation of chargeable gains, the receipt of the New Ordinary Shares arising from the Capital Reorganisation should not be treated as a shareholder having made a disposal of all or part of his holding of Existing Ordinary Shares by reason of the Capital Reorganisation.

## 17. General Meeting

Your attention is drawn to the notice convening the General Meeting of the Company, set out at the end of this document, to be held at 12:00 p.m. on 21 March 2025. At the General Meeting the following Resolutions will be proposed, of which, Resolutions 1 and 3 shall be proposed as ordinary resolutions and Resolution 2, 4 and 5 shall be proposed as special resolutions.

### Resolution 1: Sub-Division and Reclassification of Shares

THAT, subject to the approval of Resolution 2, in accordance with section 618 of the Act, each ordinary share of £0.01 (1 pence) each in the capital of the Company be and it is sub-divided and reclassified into one (1) ordinary share of £0.00001 (0.001 pence) each and nine hundred and ninety-nine (999) deferred shares of £0.00001 (0.001 pence) each in the capital of the Company, with each share having the rights and restrictions set out in the Articles.

### Resolution 2: Amendment to the Articles

THAT, subject to and conditional upon the passing of Resolutions 1 above, with effect from the conclusion of the General Meeting, the Articles be amended by the insertion of a new Article 44 which sets out the rights attaches to the Deferred Shares.

### Resolution 3: Share Authorities

THAT, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all or any part of the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares of the Company up to an aggregate nominal amount of £50,000 such authority (unless previously revoked or varied) to expire at the conclusion of the annual general meeting of the Company to be held in 2025, save that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

### Resolution 4: Share Authorities

THAT, subject to the passing of Resolution 3, the Directors be and are hereby granted power pursuant to section 570(1) of the Act to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority conferred on them by Resolution 3 above as if section 561 of the Act did not apply to such allotment, provided that such power be limited to:

- i) the allotment of equity securities which are offered to all the holders of equity securities of the Company (at a date specified by the directors) where the equity securities respectively attributable to the interests of such holders are as nearly practicable in proportion to the respective number of equity securities held by them, but subject to such exclusions and other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements and any legal or practical problems under any laws or requirements of any regulatory body or stock exchange in any territory or otherwise; and
- ii) the allotment (otherwise than pursuant to subparagraph (i) above) of equity securities up to an aggregate nominal amount of £50,000, and provided that this power shall expire on the conclusion of the next annual general meeting of the Company to be held in 2025, save that the Company may make an offer or enter into an agreement before the expiry of that date which would or might require equity securities to be allotted after that date and the directors may allot equity securities in pursuance of such an offer as if the power conferred hereby had not expired.

### Resolution 5: Change of Name

THAT, the Company changes its name from ADM Energy plc to Vega Energy plc. Application of the Change of Name will be made following the passing of the Resolution, and its completion announced to the market in due course.

## 18. Action to be taken

You will find enclosed with this document a Form of Proxy in respect of the General Meeting.

**Whether or not you propose to attend the General Meeting in person, you are asked to complete the Form of Proxy and return it to the Company's registrars, Computershare Investor Service PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, or by signing in to the e-proxy site [www.investorcentre.co.uk](http://www.investorcentre.co.uk), so as to arrive as soon as possible, but in any event, so as not to be received any later than 12:00 p.m. on 19 March 2025.**

Completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person if you wish.

## 19. Board Opinion and Recommendation

The Board believes that the successful implementation of the Capital Reorganisation and associated Subscription will help stabilise the Company's financial position via the funds raised, and will allow it to deploy further capital to its portfolio of cash generative investments in the U.S., in addition to providing the Company with necessary working capital. The Board of Directors believe that with completion of the proposed transaction the Company will be positioned to generate organic growth cash flow, with the objective of becoming cash flow positive in the 2025 and generating growth in per share cash flow.

The Board remains committed to carefully managing the Company's cash position. The Board wishes to reiterate that, should the Company be unable to complete the Capital Reorganisation, Subscription and in turn be unable to raise further funding or issue shares in lieu of existing debt, it would likely be left with a limited pool of alternative options, which could result in the Company withdrawing from trading on AIM and needing to seek insolvency advice. The Board does not believe that this would be in the best interest of Shareholders. Against this background, the Company is seeking Shareholder

support for the Capital Reorganisation as set out above in this document.

**The Directors unanimously consider that the Capital Reorganisation and the Subscription is in the best interests of the Company and the Shareholders as a whole.**

Accordingly, your Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings which, in aggregate, amount to [•] Existing Ordinary Shares, representing approximately [•] per cent. of the Company's existing issued ordinary share capital.

Yours faithfully,

Lord Henry Bellingham, *Non-executive Chairman*

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