

25th September 2025

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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU WHICH IS PART OF DOMESTIC UK LAW PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS (SI 2019/310) ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION (AS DEFINED IN UK MAR) IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

**Pennpetro Energy Plc**

("Pennpetro" or the "Company")

**SHAREHOLDER UPDATE**

The Company published its Annual Report and Audited Financial Statements for the 12-month period ending 31 March, 2024. These were released earlier today.

After a long and complex process of investigation and discovery, led by the present Chairman I today also report a wide range of challenging issues that the Company has navigated with the objective of repositioning the company to return to trading on the London Stock Exchange.

I appreciate that regular, honest and open communication with existing and potential shareholders of Pennpetro is a priority, ensuring transparency for all stakeholders and making the kind of negative comments we have seen over the past many months impotent. Over the coming weeks and months, further information will be regularly provided, so that shareholders can make considered decisions about voting and investing in the Company. The Board will continue to position Pennpetro to deliver sustainable growth in shareholder value, based on sound due diligence, capable team performance and reliable business partners.

Specifically in this statement I would like to address the following:

1. The current status of agreements with Global Vision and the JV with ESGY;
2. The status of the funding with Global Equity Markets Solutions (GEM);
3. The terms of a Convertible Loan Note executed, and drawn by Pennpetro, with the Canada-based RMD Group;
4. The proposed appointment of new Directors to the Board of the Company;
5. The development of a new investment strategy;
6. Terms for the restructuring of the Petroquest Loan and discharge of the liability from Pennpetro Energy PLC;
7. Material litigation and resolution (CMS, GEM, Petroquest Energy Ltd);
8. Actions taken to date to recover unauthorised funds and intention to pursue individuals whose actions have led to loss of shareholder value and Company funds;
9. Preparation for publication of both the delayed Interim Accounts, and Audited 2024/25 Financial Report;
10. Confirmation of the AGM to approve these 2023/24 Audited Accounts and other necessary resolutions;
11. Payments to Directors; and
12. Return to trading (subject to all conditions precedent being achieved by the Company with the support of shareholders).

**1. Global Vision Heads of Terms and JV with ESGY**

After the 2023/24 reporting period, agreements were signed with Globalvision International ("Globalvision"), which were communicated to the market via an RNS and reported as concluded prematurely, on the Globalvision website, (subsequently removed after Pennpetro Chairman's complaint), whereby they agreed to purchase:

- 100% of the issued share capital in the Company's subsidiary Nobel USA for a life of asset Royalty to Pennpetro, on the City of Gonzales #1 Well, Chalk Talk #1 Well, Chalk Talk #4 Well and Whistling Straits #5 Well, and the assumption of approximately US 300,000 of outstanding liabilities; and
- 50% of the issued share capital in the Company's subsidiary Nobel Petroleum LLC.

The Globalvision agreement identified a level of historical accrued liabilities associated with restoring production that they would partially remedy.

Pennpetro have been unable to fulfil the acquisition conditions relating to perfecting the leases and committing funding, as a result the JV with Globalvision has not completed.

At the time, previous Management also announced a joint venture with ESGY regarding potential Lithium resources and associated anticipated income from that relationship in the same RNS as the Globalvision announcement.

Despite much effort, neither Globalvision, nor Pennpetro, have been able to find any records of a JV agreement with ESGY, nor has there been any communication with ESGY who have failed to respond to any and all attempts to engage.

The previous CEO has also been contacted in regard to this ESGY announcement but has failed to provide copies (if they even exist) of any JV Agreement at any level, with an entity called ESGY.

## **2. Global Equity Markets Solutions (GEM)**

Shareholders will recall that the Company announced a short-term funding agreement with US-based GEM in June of 2025. The initial commitment of £150k was to be made available to the Company to support its efforts to complete the 2024 year-end Audit announced herein and to satisfy certain Creditors and demonstrate 'Going Concern' status for the Company.

GEM based on what the current Board of Pennpetro have discovered over the past 8 months, were not prepared to deposit the funds directly under the control of the Company as required by the Pennpetro Auditor to achieve the goals of the funding in the first place, being proof of 'Going Concern' and payment by the Company to its creditors, including the Auditors themselves for the preparation of the announced accounts herein.

Alternative methods to receive the funds to the satisfaction of GEM and the Company's auditors were explored, but the impasse continued until an alternative approach was identified, negotiated and agreed through efforts led by the current Chairman.

## **3. Convertible Loan Note (CLN) with RMD Group of Canada**

After lengthy and detailed due diligence by RMD Group, I am pleased to advise that Pennpetro has now entered into a fully subscribed £250,000 Convertible Loan Note ('CLN').

RMD Group is a Canada-based privately held Family Office with interests in investments in Property (North America and Europe), Energy, Infrastructure, Renewable and Decarbonisation, Forestry and Technology sectors.

The previous CLN anticipated with GEM and previously announced to the market on 25 May 2025, was on less favourable commercial terms than with the RMD Group CLN, charging interest at 6% (GEM coupon was 8%) and maintaining the £0.04 conversion price, this being a sign of acting in 'good faith' with Pennpetro on the part of RMD Group who could have named their terms due to the condition of the Company and lack of alternatives at the time of signing.

Funds for the CLN have been evidenced to the satisfaction of our auditors, accountants and legal advisors and are being used to discharge main current creditors and satisfy Going Concern requirements.

Whilst the CLN has been signed by the Parties and funds have been provided to the Company by the Lender at this time, there are certain additional undertakings that, during their detailed due diligence of Pennpetro, RMD insisted on including to provide much needed funding to resuscitate Pennpetro, as follows:

- Issue of new shares to fulfil the Company's obligations in respect of the pledged shares that are subject to shareholder approval and to satisfy the conditions of a new Prospectus as required by the FCA, London Stock Exchange and the Company's advisors;
- The renegotiation of the outstanding 'Petroquest Loan' such that the liability is no longer recognised on the balance sheet of Pennpetro Energy Plc and all security is released, cleaning up the Company's balance sheet for a new start;
- Executing a Heads of Terms with RMD Group and its partners in relation to advancing the acquisition of 100% of their interests in a large European Oil and Gas License (through their subsidiary company in Poland);
- Although RMD Group and their fellow shareholders are in a position to execute this deal today and begin immediate operations on the License in question within weeks of the same, without shareholder approval their end; at Pennpetro a Prospectus is required and a General Meeting of shareholders must be held, therefore definitive Agreements of course cannot be signed and as yet cannot be announced. The Company Directors are actively preparing the Prospectus.

Once complete, Pennpetro shareholders will have the opportunity to study and vote on the same, with definitive agreement following if approved by a General Meeting of shareholders.

Unlike in the past, whereby our Company has entered into arrangements with limited fact checking or diligence, I can confirm that whilst extremely busy up to this point administratively, I did take the opportunity to visit the RMD license, location and meet the team with whom the opportunity exists. I can say that they are an impressive group of professionals, the asset has very significant, realistic long-term potential and certain Institutional Investors taken 'Inside' on the opportunity in London, are taking it very seriously, subject to our Company being restructured and shareholders approving of the same.

RMD Group been actively developing Central and Eastern European Mineral and Oil and Gas investments for 11 years already and are also exploring potential opportunities in Alberta, Canada for their own, and subject to a relationship with Pennpetro going better than our track record with others in the past, our shareholders approving, may choose to work with us there also, something that we are doing our best to bring to fruition.

## **4. Appointment of Board Directors**

RMD Group has the right to appoint two board directors to Pennpetro's board, however, following my visit to their Central European operations it became clear that Pennpetro shareholder value would benefit from a third Director whom we have asked to join also. He is a highly experienced and skilled oil and gas executive who has specific experience, and not only in the region in which we are hoping to operate through the RMD arrangement as Pennpetro. He has impressed a wide variety of Institutional Investors over the time I have known him, and he provides us with a stand-out expertise rating among the listed Oil and Gas companies currently listed in London and elsewhere.

Therefore, we will appoint three new Directors to the board of Pennpetro:

- Non-Executive Chairman;
- Executive Director (CEO);
- Executive Director (COO).

Full details of the to be appointed new Directors will be announced under separate cover with their Bios once all checks required by the regulations have been completed.

As an informal 'condition' of the CLN from RMD Group, to Pennpetro, whilst I had intended to step down from the Board of the Company and not seek re-election as Chairman, or otherwise, at the AGM RMD Group are keen to see me remain as the individual with whom they are comfortable dealing with on the current board of Pennpetro.

If shareholders are adamant that I should not continue, in line with the rhetoric that RMD have monitored on the 'message boards' then it is my belief that they will understand that I likely will not wish to remain.

They have stated that if the situation were to transpire that I was to leave the Board of Pennpetro, then they would fully expect my continuing in a non-board role supporting the Board, including my pursuing legal actions to recover missing funds, and to assist the Company ongoing with fund raising as required, under some alternative, transparent relationship.

Any details of new Board appointments or changes to existing Directors will be the subject of specific RNS Announcements as required and in due course as well as being contained in the particulars for the upcoming AGM.

## 5. Restructuring of the Petroquest Loan

As shareholders are aware, a 4.7m Loan Note exists between the 100% owned Pennpetro subsidiary, Nobel Petroleum LLC, and Petroquest Energy Limited. The loan is secured on lease assets in the US which have now lapsed and the Petroquest loan is in default. There is no immediate way for the Pennpetro subsidiary to repay this debt to Petroquest.

In order to achieve the best outcome for all shareholders of Pennpetro Energy Plc, and to satisfy a Condition Precedent regarding funding from RMD Group under the CLN facility Petroquest have confirmed to Pennpetro Energy Plc that they will not seek to enforce the debt and have been engaged over the last nine months to agree alternative ways to settle the liability. Petroquest Energy is supportive of Pennpetro in securing new capital and returning to trading and has therefore signed a corporate undertaking to:

- Write off the majority of the loan, accrued interest and penalty charges under the Nobel Petroleum LLC secured loan note;
- Release all, and any, security (as there may be currently) on the Nobel Petroleum LLC assets; and
- Swap the balance of the loan in return for a majority shareholding in the US subsidiary Pennpetro USA Corp

This way the specific condition of the CLN provided by RMD Group is satisfied, whilst creating the best possible accounting position to take the Company forward.

100% of the accrued Petroquest debt including any interest, being at time of writing approximately US 4.7m will consequently be removed from the Pennpetro consolidated accounts, significantly improving the Company's financial position.

This has been confirmed with our Advisors and RMD Group as satisfying the CLN condition precedent to allow Pennpetro access to the CLN funding making the Company a better and more investment-friendly business overall.

## 6. Confirmation of a new prospectus and Pennpetro's obligation to return historically pledged shares

It should be noted that, in the interest of expediency and as a sign of trust, RMD Group have already in good faith, made the required funds available to allow the 2024 Audited Accounts announced today as well as the necessary Interims and 2025 Audited Accounts to qualify Pennpetro for re-admission to trading to be funded.

One of the Conditions Precedent of the RMD Group fully subscribed CLN is that the rescheduled AGM will contain a resolution for the issuance of previously pledged shares.

This is not a construct by the current Board of Pennpetro. At great length under due diligence with professional advisors involved in that process, RMD Group have themselves identified that this is, after the debt forgiveness and the anticipated return to trading via 3 sets of accounts being funded by them, the last major hurdle to the successful development of Pennpetro Energy Plc, which necessarily must be dealt with.

They are also aware of the negative sentiment surrounding this topic among certain shareholders. They view a failure to deal with this issue as a default under current obligations and challenging for the Company going forward. They are not wrong in their assessment.

It is not, as some would try to present an optional or subjective matter but a clear, contractual, commitment (albeit entered into by previous Directors and not this Board today) and a legal obligation of the Company to resolve.

As shareholders of the Company we will all be judged as to our ethical standards, as a Company and as individuals, in terms of how we address this legacy issue, which affects us all. A failure by the shareholders of Pennpetro to address this commitment will likely destroy any possibility for long-term trust, critical when dealing with sophisticated investors who cannot accept that a Company in which they may be considering investment could disregard contractual obligations regarding any topic, let alone share borrowing and fundraising against the same.

These shares were pledged by their owners, at the request of the Company's other shareholders, allowing the Company to raise funds when Pennpetro had no headroom available to do so, and the Company cannot continue to be in perpetual breach of this obligation. The subsequent decisions on the use of these funds aside, by the former Board of Directors of this Company, do not change the fact that this transaction took place and must be concluded by Pennpetro.

The Company has disclosed further information as to the ultimate beneficiaries of these pledged shares and these details will also be contained in the necessary prospectus required to effect the issuance of shares to replace those already borrowed and sold to raise financing in the past.

At the rescheduled AGM it is of the utmost importance that we vote in favour of making good on the issuance of these shares. If we do not, as shareholders, we are sending a very clear message to potential supporters that we cannot be trusted to honour our obligations to those who help us when we ask. If a shareholder votes against this Resolution, it speaks volumes to those around us and will surely be seen as an attempt to damage our reputation and ability to grow the business all genuine shareholders must be hoping to see succeed.

## 7. Material litigation and resolution (CMS, GEM, Halliburton, Petroquest Energy Ltd)

During this Reporting Period, previous management also incurred liabilities with GEM and lawyers, Cameron McKenna, over unpaid fees. This culminated in statutory demands and winding up petitions seeking to liquidate the Company that the directors, in situ at that time, did not dispute.

Summary judgement including material costs totalling in excess of 500,000 were secured without any representative of the Company even filing a defence nor attending the court hearing until after the time limit for dispute had lapsed. The CEO and Chairman at that time, both, simply ignored GEM by this lack of engagement, and abandoned Pennpetro to a winding up order, which was issued by the court.

Only through the action of the current Directors, after the fact and through the use of limited capital Pennpetro held at the time, intended to support operations, used to partially discharge these debts to GEM, was the liquidation of the company averted. For all of the cries against this current Board, it must be clearly stated that Pennpetro even existing today is only due to these efforts. The former Directors (mis)management condemned the Company to liquidation, it remains to be investigated if there are grounds for them to be held to account.

The Company is also receiving an increasing number of legal claims lodged in relation to outstanding oil field service payments to Halliburton, lease payments and historic royalties that have not been paid in the United States. This has resulted in liens on the assets and physical restriction of access to the USA sites. Through the transaction with Petroquest not only is Pennpetro released from the debt obligations through the consolidated balance sheet but additionally these liabilities are now the responsibility of the US companies, and that of remedying these defaults falls there, not affecting Pennpetro Energy Plc.

## 8. Legal Action to recover funds and pursue individuals over historical activity that led to loss of shareholder value.

Shareholders should be aware that former Chairman and CEO, were paid a total of £120,000 from capital raises, which took place at the time when a judgement had been awarded against the Company and therefore all available funds should have been paid by the Company to Creditors holding that judgement.

These monies therefore were paid to the directors of the Company without Board consent and in preference to the, legally required settlement of judgement creditors, again, showing a complete disregard for Pennpetro and its shareholders, as well as the Court and those holding the judgement. Furthermore, this left the Company unable to fund its operational obligations and facing insolvency, yet again.

Part of the new funding committed by RMD Group has been authorised for the purpose of pursuing via litigation, former directors for these and other unaccounted and unauthorised payments. They agree with the position of the current Board that this is a critical step in re-establishing Pennpetro Energy Plc as a good faith business and in reviving the Company as an honest and responsible partner for investors and shareholders.

Additionally, the Company is supporting liquidators and investigators in respect of certain historical transactions whereby funds of 2m were "loaned" into a Pennpetro subsidiary company (Nobel Petroleum LLC) and then later converted into Pennpetro Shares, diluting shareholders, some of whom perversely state their support openly online for the very same Directors who did not react against the Companies imminent liquidation, which would have left shareholders with nothing, whilst they did not refrain from paying themselves.

It is noteworthy that the company benefitting from this 'loan', RB Equities Limited, is directly owned by Tom Evans (who is also a director of that Company) the former CEO of Pennpetro Energy Plc.

These identified shares form part of the Pledged Shares.

Liquidators have written to Pennpetro, seeking to restrict distribution of these 2 million shares, while they investigate these transactions further. The Company intends to carry out its own investigation with funding allocated from the CLN proceeds received.

Tom Evans has not responded to the Company to explain any of these transactions and neither Nobel Petroleum LLC nor Pennpetro have records of these transactions, despite them being documented in the historical accounts at the time.

The situation with the former Corporate Secretary remains very unsatisfactory and the company is also currently reviewing selected transactions to identify whether there is potential to recover funds from FHF Corporate Finance Ltd (FHF). This is complicated by the arrangement whereby the company did not control, nor did it adequately oversee its accounting functions, and the Corporate Secretary was neither a director nor employee of FHF. These unusual arrangements have been terminated and Company now directly controls its own finance function.

Distributions including, as another example, unexplained payments of 400k including some credited to the CEO and other US based executives (outside of formal PAYE arrangements) are being investigated.

The current Board will provide 100% support to the liquidators, FCA and insolvency services, including taking direct legal action through private prosecutions where necessary to hold previous Directors fully accountable wherever malfeasance is found and can be demonstrated. This is not going away until resolution is reached.

#### **9. Publication of the Interims (2024/25) and Final (2024/25) Results and Future Direction of Pennpetro**

The Interim and Final Audited Accounts for 2024/25 are being completed now and given the very limited trading or other activity in the periods following the 2024 Annual Financial Report published today, are expected to be available for publication within a short time frame.

#### **10. Confirmation of the AGM to approve the accounts and other necessary resolutions**

The Company will now schedule an AGM to approve the published 2023/2024 Year End Accounts, including the impairments contained therein and to incorporate the resolutions relating to Director re-appointments, issuance of obligated Pledged Shares and Authorised Headroom.

For the avoidance of any doubt regarding my own position, the AGM will also incorporate the resolutions directly requested by shareholders in a recent EGM application.

A further AGM will also be necessary to approve the 2024/25 accounts which will come in due course. **11.**

#### **Payments to Directors**

Shareholders and particularly those who have attacked the current Directors of the Company online and via other methods of communication for the past year should be aware that, unlike Tom Evans and David Lenigas, neither Olaf Rapp, Stephen Lunn nor Robert Menzel have been paid for serving as your Directors at Pennpetro Energy Plc. In the case of Stephen Lunn and Robert Menzel no payment has been received since their appointment whilst in Olaf Rapp's case, he has been unpaid for over four whole years.

Whilst liability is accruing in this regard, a settlement will ultimately need to be agreed, going forward. All Directors will be compensated via a formal incentive scheme that will be tabled at one of the several necessary upcoming shareholder meetings and approved by shareholders in due course.

#### **12. Commitment to re-trading**

Directors are very conscious that this is now over 425 days of the suspension of the trading of the shares and the Directors are fully committed to make sure that suspension of the trading of the shares can be lifted as soon as practicable possible.

As a listed Company, Pennpetro Energy Plc under my Chairmanship has and will continue to comply fully with the Rules and Regulations that publicly traded companies must abide by and those who do not approve of this position should be the target of criticism, not I.

An application to return to trading can only be made after the publication of the **three** sets of accounts which are now past due, culminating with the 2024/25 Audited Accounts.

In the interest of our stated improvements in clarity and transparency, in our communications with shareholders, I feel the need to advise that we should expect that this important day will likely be no earlier than November this year, and possibly later depending on sign off procedures, which are beyond our control.

In the event that the Heads of Agreement surrounding the contemplated new business activity, to be approved by shareholders, continues to advance as it currently is, then it is also reasonable to expect that the Company will be forced to remain in suspension pending that transaction completing.

#### **Concluding Comments**

I appreciate that many of these issues raised will come as a shock, as it did to us when we were appointed, and quite frankly are entirely unacceptable in any company, let alone a public company listed on a regulated exchange. Shareholders, of which I am one, have every right to be angry and disappointed at the previous management and the historical position that has taken substantial time, resources and commitment from the current Board to reposition the Company.

To the majority of our shareholders with a genuine desire to see a Phoenix rise from the Ashes, Directors are working to the best of our ability, in order to return Pennpetro Energy Plc to a strong and well managed future, trading with a professional and value accretive ethos, and we would ask you to support the Board in its current and future iterations to achieve this and much more.

Shareholders I appreciate that we cannot, (for legal, commercial and regulatory reasons) always explain the order of procedures and the actions behind the scene but I would like to say that we have, and will continue to, act in the very best interests of all of our shareholders.

I very much look forward to confirming a date for the AGM at which the opportunity will exist for those who have questions to ask in good faith to meet and discuss with our Company's Team the future and just how productive it may be.

With the support of you as a shareholder of Pennpetro Energy PLC we welcome you to a new direction for our Company, together.

**For further information, please contact:**

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NOTES TO EDITORS:

Pennpetro Energy Plc is an independent oil and gas company. Shares in the company were admitted to the Official List of the London Stock Exchange by way of a Standard Listing on 21 December 2017 with the ticker symbol "PENNPETRO".

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