

7 October 2025

Beacon Energy plc
("Beacon Energy" or the "Company")

Strategic Investment in LNEnergy Limited

Beacon Energy plc (AIM: BCE), is pleased to announce that the Company has entered into a binding, conditional share purchase agreement (the "**SPA**") with Reabold Resources plc ("**Reabold**") in relation to a significant strategic investment in LNEnergy Limited ("**LNEnergy**"), (the "**Proposed Transaction**").

This Proposed Transaction is considered by the Board of Beacon Energy (the "**Board**") to represent a transformational, value enhancing transaction for shareholders, which is fully aligned with Beacon Energy's growth strategy.

Key Highlights of the Proposed Transaction and the Colle Santo Project

- **Material gas asset:** The Colle Santo project, located onshore Italy in the Abruzzo region, is a material and substantially de-risked development ready gas field (subject to final regulatory consent), incorporating a material and fully appraised 2P reserve base of 65 BCF (equivalent to approximately 11 mmboe)
- **Clear development pathway:** A near-term active work programme designed to achieve Final Investment Decision ("FID") in mid-2026 and first gas in H2 2027
- **Experienced development team** LNEnergy and its major contractor, Italfiuid, bring a proven track record of development and production operations coupled with a strong HSE record and a firm commitment to environmentally responsible hydrocarbon production
- **Attractive Economics:** The Board considers the project to be commercially and economically attractive, with an assessed NPV10 valuation of approximately €50 million from the development and production of the 2P reserve base
- **Advanced Financing Plan** A highly credible financing plan is in place with non-binding funding agreements with Italfiuid (major contractor) and Gunvor (offtaker)
- **Strategic Regional Entry:** This Proposed Transaction marks Beacon Energy's entry into a region with significant potential for growth, where the Company believes a substantial business can be built

Beacon Energy will be seeking to carry out a placing to new and existing investors ("**Placing**") to raise approximately £3.5 million (gross) to finance the Colle Santo project through FID and towards first production and required working capital. Reabold has agreed to support the Placing by participating with an investment of £750,000. The Directors of Beacon Energy also intend to participate in the Placing.

Transaction Structure

Under the terms of the SPA Beacon Energy will acquire from Reabold up to 100 per cent of the shares in a special purpose vehicle company (the "**Target**") which is to hold an approximate 48 per cent shareholding in LNEnergy.

Beacon will acquire an initial tranche of 49% of the shares in the Target (representing an approximate 24 per cent indirect shareholding in LNEnergy) from Reabold ("**First Acquisition**") at Completion (anticipated in November 2025). Beacon Energy will then acquire the balance of the shares in the Target (representing an approximately 24 per cent additional indirect shareholding in LNEnergy and, in aggregate, an approximately 48 per cent indirect interest in LNEnergy) ("**Second Acquisition**") upon certain conditions being satisfied, including the project being awarded a Production Concession

(anticipated in mid 2026).

On completion of the Second Acquisition, Beacon Energy will become the largest shareholder in LNEnergy. Beacon intends to use the proceeds of the Placing to finance the Colle Santo project through FID and towards first production, as well as for required working capital. It is anticipated that such funding will be provided through future subscriptions for new shares in LNEnergy.

Consideration

Under the terms of the SPA, Reabold will receive new shares in the Company equal to approximately 29 per cent of the enlarged share capital of the Company. Of the approximate 29 per cent, 14 per cent relates to Consideration Shares and 15 per cent relates to Reabold's participation in the Placing.

In addition, Reabold will receive contingent consideration based on the future Free Cash Flow of LNEnergy (the "**Earn-Out**"). The Earn-Out comprises a contingent consideration in cash, calculated as 11.55 per cent of annual post-tax, post-financing cash flow of LNEnergy, subject to a cap of €16.17 million (assuming both the First Acquisition and the Second Acquisition complete).

The Consideration Shares held by Reabold on admission to AIM will be subject to both lock-in terms and a relationship agreement, full details of which will be set out in the Company's Admission Document.

Reverse Takeover Process

The Proposed Transaction is classified as a reverse takeover pursuant to the AIM Rules for Companies. The Company's ordinary shares will remain suspended from trading on AIM until such time as the Proposed Transaction is completed, which is anticipated will be the second business day following the satisfaction or waiver of the final condition which the SPA is subject to. In the event that the Proposed Transaction does not proceed, the Company's shares will remain suspended from trading as Beacon Energy has been a cash shell on AIM for more than 6 months. Completion of the Proposed Transaction is subject to, *inter alia*:

- the publication of a positive opinion by the VIA Commission related to a Colle Santo development;
- finalisation of the Placing;
- the publication of an AIM Admission Document; and
- approval by Beacon Energy's shareholders at a general meeting to be convened in due course ("**General Meeting**")

The Admission Document, which will include a notice of General Meeting, is expected to be issued in due course.

Commenting on the signing of the SPA, Beacon Energy CEO, Stewart MacDonald, said:

"This strategic investment in LNEnergy and the Colle Santo project marks a pivotal moment for Beacon Energy, aligning with our stated growth strategy of seeking opportunities to build a self-funding business to underpin organic growth while delivering significant value for our shareholders. The Colle Santo project, with its material, de-risked 2P reserves and clear path to production, is a highly attractive, value-accretive and cash-generative asset that will provide a strong foundation for future expansion.

LNEnergy and its major contractor, Italfilfluid, bring a proven track record in development and production operations, coupled with a strong HSE record and a firm commitment to environmentally responsible hydrocarbon production - values that are directly aligned with Beacon Energy's own. Furthermore, this strategic investment positions Beacon Energy in a region offering significant long-term growth potential."

Further announcements will be made in due course, as appropriate.

Enquiries:

Beacon Energy plc

Stewart MacDonald (CEO)

+44 (0)20 7466 5000 (via Burson
Buchanan)

**Strand Hanson Limited (Financial and
Nominated Adviser)**

+44 (0)20 7400 3404

Nominated Adviser)
Rory Murphy / James Bellman

+44 (0)20 7405 0434

Burson Buchanan (Financial PR)
Ben Romney / Barry Archer / George Pope

+44 (0)20 7466 5000

Tennyson Securities Limited (Broker)
Peter Krens

+44 (0)20 7186 9030

For further information, please visit www.beaconenergyplc.com

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under 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.

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