

2 October 2019

**Nu-Oil and Gas plc**  
**("Nu-Oil" or "the Company")**

**Board Changes, Debt Restructuring, Placing, Sale of Joint Venture and General Meeting**

Nu-Oil is pleased to announce the implementation of a number of changes to strengthen the Company's financial position and create the foundation for a new strategic direction.

***Notification of Transfer and Renegotiation of Debt***

The Company has been informed by Shard Capital Management Limited ("Shard") that it has sold its loan owing to Shard by Nu-Oil to C4 Energy Ltd ("C4"), a UK incorporated private company.

Following the sale of debt, the Company has granted C4 loan notes of £10,000 denomination, which will be freely transferable, which sets the loan balance at £2.5 million (the "Loan Notes"). The Loan Notes are unsecured, interest free with a five-year term, with repayment due at the end of term. Subject to approval of the Company's shareholders at a general meeting to be convened (the "General Meeting"), the Loan Notes will also have conversion rights, at the option of the lender at any time, at a price of 0.05 pence per ordinary share, with C4 agreeing to a cap of 29.9% of the issued ordinary share capital at any point in time.

The basis of the new balance follows from the Company agreeing to borrow £1,000,000 from Shard for 12 months at a 20% interest rate on 25 November 2013. In December 2014, the Company obtained a further loan of £200,000 from Shard. In addition, the loan was secured against PL2002-01(A) and had a right of conversion. The audited balance of this loan was shown on the 30 June 2018 balance sheet in the 2018 Annual Report at £1.643 million and at £1.689 million in the unaudited interim accounts at 31 December 2018. With accrued simple interest to 30 September 2019, the balance increased to £2.215 million, with a higher number using a compound interest method of calculation (the original loan documentation was not specific on which basis the interest calculation should follow). In order to secure favourable commercial terms and given the proposed provision of short-term finance as set out below, the Directors of the Company have agreed to set the final balance owed at £2.5 million.

***Sale of interest in Marginal Field Development Company***

The Company has also agreed to sell its 50% interest in Marginal Field Development Company (MFDevCo) Ltd ("MFDevCo") to RMRI Limited (which holds the remaining 50% interest in MFDevCo) in consideration for the release of all outstanding debts due to RMRI Limited and Alan Minty, which totals, in aggregate, £1,230,614.21 ("Proposed Sale"). The Proposed Sale is considered to be a fundamental disposal under the AIM Rules for Companies ("AIM Rules"). As such it is subject to shareholder approval at the General Meeting. In addition, the Proposed Sale is considered a related party transaction under the AIM Rules as RMRI Limited is controlled by Alan Minty, a former director within the last 12 months of Nu-Oil. To enable



## NU-OIL AND GAS PLC

AIM ticker: NUOG

the continued development of MFDevCo, the Nu-Oil Board have waived their shareholder rights on MFDevCo up to the point of the General Meeting.

The Independent Directors of the Company (being Graham Scotton, Frank Jackson, Tejvinder Minhas and Michael Bowman) consider, having consulted with Strand Hanson Limited, that the terms of the sale of the Company's 50% interest in MFDevCo to RMRI Limited are fair and reasonable as far as shareholders are concerned.

Should the Proposed Sale be approved at the General Meeting the Company will then be considered a cash shell under the AIM Rules and will have six months to effect a reverse takeover under Rule 14 or be suspended from trading. If that happened, the Company would have another six months to effect a reverse takeover or be de-listed from AIM.

In addition, RMRI Limited will be issued with 88,709,678 new Ordinary Shares in the Company to the value of £55,000 in relation to ongoing services rendered to the Company, also subject to shareholder approval. This is a significant discount on the existing liability due to RMRI Limited for work undertaken by it on MFDevCo activities.

### ***Proposed Placing***

The Company has conditionally agreed to raise gross proceeds of £0.5 million by way of a placing of 1.0 billion new Ordinary Shares at a price 0.05p per share, subject to shareholder approval at the General Meeting ("Proposed Placing"). The subscribers of the Proposed Placing have been introduced by representatives of C4. The net proceeds of the Proposed Placing will be used for short term general working capital purposes. In the event that the Proposed Placing was not approved at the General Meeting, the Board would have to seek alternative financing immediately. In the event that such financing was not available then the Company would be put into administration.

### ***General Meeting***

In order to implement the above, the Company will need authority from Shareholders to issue the new Ordinary Shares pursuant to the Proposed Placing, to grant the conversion rights under the Loan Notes, to sell the interest in MFDevCo pursuant to AIM Rule 15 and to grant the options and warrants referred to below. Accordingly, the Company will post a circular to its shareholders as soon as practical calling the General Meeting seeking approval for the above, including the re-organisation of the Company's share capital to reduce the nominal value of each Ordinary Share in order to facilitate, *inter alia*, the Proposed Placing and granting of conversion rights under the Loan Notes.

### ***Directorate Changes***

As part of the restructuring of the Company, Nu-Oil is pleased to announce that Mr Jay Bhattacharjee will be appointed as Non-Executive Chairman (elect) and Mr Andrew Dennen will be appointed as Non-Executive Director (elect). Graham Scotton, previously Executive Chairman, has transitioned to Non-Executive Chairman. Frank Jackson remains as a Non-Executive Director. Damian Minty, Joint Managing



## NU-OIL AND GAS PLC

AIM ticker: NUOG

Director and Chief Financial Officer, and Alison Pegram, Joint Managing Director, have agreed to resign their roles and are standing down from the Board, effective immediately. Non-Executive Directors, Professor Michael Bowman and Mr Tejvinder Minhas, have also both resigned, effective immediately.

Mr Bhattacharjee and Mr Dennan will only join the Board subject to all of the resolutions being passed at the General Meeting.

Both Mr Bhattacharjee and Mr Dennan are shareholders of C4 who, following the transfer of debt, is the largest debt holder to the Company.

Both Mr Bhattacharjee and Mr Dennan will be issued five-year options to subscribe for 90 million new Ordinary Shares, subject to shareholder approval, at a price of 0.0625 pence per share.

The Company further intends to have the ability to issue up to 120 million five-year warrants, subject to shareholder approval, to selected service providers in the future which will also be awarded at a price of 0.0625 pence per warrant share.

The Board is actively conducting a review of all aspects of the Company's business and further announcements will be made in due course.

Further information on Mr Bhattacharjee and Mr Dennan, as required by AIM Rule 17 and Schedule Two, paragraph (g), to the AIM Rules for Companies is as follows:

**Jayanta Bhattacharjee**, aged 41, is, or has been, a director or partner of the following companies or partnerships during the past five years:

### Current directorships and/or partnerships

Blixtra Ltd  
Blixtra UK Ltd.  
Cascade Group Limited  
Trilogy Ventures Ltd  
Fresh and Natural Foods Tanzania Ltd  
TJ Holdings Limited

### Former directorships and/or partnerships (within the last five years)

Canyon Oil and Gas UK Ltd.  
Aminex PLC  
Aminex Petroleum Services Ltd  
Amossco Holdings Ltd  
Amossco Ltd  
Amossco ODS Ltd  
Ndovu Resources Ltd  
Osceola Hydrocarbons PLC  
Osceola Oil and Gas Ltd  
Canyon Oil & Gas Ltd  
Canyon Oil & Gas Moldova Ltd  
Canyon Oil & Gas MOL SRL

**Andrew Dennis Dennan**, aged 34, is, or has been, a director or partner of the following companies or partnerships during the past five years:



**NU-OIL AND GAS PLC**

**AIM ticker: NUOG**

**Current directorships and/or partnerships**

Alpha Growth PLC  
Baron Lux LLP  
Coro Energy PLC  
Coro Europe Limited  
Coro Energy Asia Limited  
Coro Asia Limited  
Coro Energy (Singapore) Pte. Ltd  
Coro Energy Bulu (Singapore) Pte. Ltd  
Coro Energy Duyung (Singapore) Pte. Ltd  
Apennine Energy SpA

**Former directorships and/or partnerships  
(within the last five years)**

BSD Capital Ltd  
Ezilla PLC  
Penton Capital Ltd  
Saffron Energy Limited  
Northsun Italia SpA

**Enquiries**

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**Disclaimer**

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 ("MAR").