

## THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

### FOR IMMEDIATE RELEASE

15 September 2021

Pharos Energy plc ("Pharos")

#### **Farm-Out of the Pharos Group's interests in the El Fayum and North Beni Suef Concessions, Egypt**

Pharos Energy plc, an independent oil and gas exploration and production company, is pleased to announce that the Pharos Group has entered into conditional agreements for the farm-out and sale of a 55% working interest and operatorship in each of the Egyptian El Fayum and North Beni Suef Concessions (the "Assets") to IPR Lake Qarun Petroleum Co. ("IPR Lake Qarun"), a wholly owned subsidiary of IPR Energy AG ("IPR") (the "Transaction"). The consideration implies a gross (100%) value of up to US\$115 million for the Assets and consists of US\$5 million cash at completion of the Transaction, funding of the Pharos Group's retained interest share of the cost of future activities on the Assets for US\$38.425 million net (subject to working capital and interim period adjustments from the economic effective date of 1 July 2020), and contingent consideration of up to US\$20 million dependent on Brent oil prices in each of the 4 calendar years from 2022 to 2025.

#### **Transaction Highlights**

- Pharos to sell a 55% working interest and operatorship in the producing El Fayum Concession and in the North Beni Suef Concession
- The Transaction implies a gross value of up to US\$115 million for the Assets, dependent on the Brent Price contingent consideration
- Firm consideration of US\$5 million upon completion of the Transaction
- Disproportionate funding by IPR Lake Qarun of US\$38.425 million of costs net to Pharos (to be adjusted for working capital and interim period adjustments from the economic effective date of 1 July 2020)
- Additional contingent consideration of up to US\$20 million dependent on the Brent Price from 2022 to the end of 2025 (with floor and cap at US\$62 / bbl and c. US\$90 / bbl, respectively)
- Expected to strengthen the Pharos Group's balance sheet and enable a more comprehensive and quicker development of the El Fayum Concession, as well as testing of the low risk North Beni Suef Concession at low cost to Pharos through a sustained drilling programme
- Completion currently expected Q1 2022

#### **Ed Story, Chief Executive of Pharos, said:**

"I am extremely pleased to be able to announce the farm-out of a 55% operated interest in each of our Egyptian Concessions, El Fayum and North Beni Suef, to IPR, a group which has extensive experience in Egypt. The farm-out, while instantly boosting our balance sheet, will allow the entry of a partner who has committed to carry Pharos on a capital programme on these Egyptian assets, which will in turn lead to increased production, helping to fulfil the full potential of the concessions."

#### **IPR Background**

- IPR has been present in Egypt for 40 years, currently with 8 concessions and operating 5 (both onshore and offshore) and active in all 4 key producing regions, namely the Western Desert, the Nile Delta, the Gulf of Suez and the Eastern Desert. IPR has proven itself to be both a

technically proficient and effective and low-cost operator and has agreed to cap initial operator G&A to around half of current levels, saving ~US\$2 million gross per annum. IPR has achieved 90% growth in net production with reserve replacement ratios consistently exceeding 100% year on year since 2012.

- IPR is well capitalised to fund the proposed work programme on both Concessions and its existing in-country presence and relationships with the Egyptian government and regulatory authorities are expected to facilitate a rapid expansion of operational activity following completion.
- The wider IPR Energy group also owns oil and gas services businesses, which possess drilling and workover rigs that have the potential to be deployed on the El Fayum and North Beni Suef Concessions for both near and longer term operations.

### **Circular**

The Transaction is a Class 1 transaction under the Listing Rules and accordingly subject to shareholder approval. Pharos will publish a circular to Shareholders in due course setting out further details of the Transaction and convening the General Meeting, at which shareholder approval will be sought for the Transaction.

Jefferies is acting as financial adviser and sponsor to Pharos in connection with the Transaction.

This summary should be read in conjunction with the full text of this announcement. Capitalised terms used in this announcement, if not defined in the main body of the announcement, have the meanings given to them in the Appendix.

### **Enquiries:**

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### **Presentation**

A copy of the Pharos 2021 interim results presentation, incorporating information on the Transaction, will be available later today at [www.pharos.energy](http://www.pharos.energy).

### **NOTES TO EDITORS**

The information contained within this announcement is deemed by Pharos to constitute inside information as stipulated under UK MAR. By the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of Pharos is Dr Mike Watts.

For further information on Pharos please go to: [www.pharos.energy](http://www.pharos.energy)

### **Disclaimers**

This announcement has been issued by and is the sole responsibility of Pharos. The information

contained in this announcement is for information purposes only and does not purport to be complete. The information in this announcement is subject to change.

This announcement has been prepared in accordance with English law, UK MAR, the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

Jefferies International Limited ("Jefferies"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Pharos and for no-one else in connection with the contents of this announcement and the Transaction and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Pharos for providing the protections afforded to clients of Jefferies nor for providing advice in connection with the contents of this announcement or the Transaction or any transaction, arrangement or other matter referred to in this announcement.

The contents of this announcement are not to be construed as legal, business or tax advice. Each Shareholder should consult its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively

#### **Cautionary Note Regarding Forward-looking Statements**

This announcement includes certain forward-looking statements with respect to the financial condition, results of operations and business of the Pharos Group and certain plans and objectives of the Board. These forward-looking statements can be identified by the fact that they do not relate to any historical or current facts. Forward-looking statements often use words such as "proposed", "anticipate", "expect", "estimate", "intend", "plan", "believe", "will", "may", "should", "would", "could" or other words with a similar meaning. These statements are based on assumptions and assessments made by the Board in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty and there are a number of factors that could cause actual results and developments to differ materially from those expressed in, or implied by, such forward-looking statements.

These forward-looking statements speak only as at the date of this announcement. Save as required by the requirements of the Listing Rules or the Disclosure Guidance and Transparency Rules of the FCA or otherwise arising as a matter of law or regulation, Pharos expressly disclaims any obligation or undertaking to disseminate after publication of this announcement any updates or revisions to any forward-looking statements contained herein to reflect any change in the Pharos Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Neither the content of Pharos' website (or any other website) nor the content of any website accessible from hyperlinks on Pharos' website (or any other website) is incorporated into or forms part of this announcement.

Unless otherwise indicated, all references in this announcement to all references to "US dollars", "US\$" and "US cents" are to the lawful currency of the United States.

## **About Pharos Energy plc**

Pharos Energy plc is an independent oil and gas exploration and production company with a focus on sustainable growth and returns to stakeholders, which is listed on the London Stock Exchange.

The Pharos Group has production, development and/or exploration interests in Egypt, Vietnam and Israel.

In Egypt, the Pharos Group holds a 100% working interest in the El Fayum Concession in the Western Desert. The Concession produces from multiple fields over 10 development leases and is located 80 km southwest of Cairo. Field operations are conducted by Petrosilah, a 50/50 joint operating company between the Pharos Group and the Egyptian General Petroleum Corporation (EGPC).

The Pharos Group also holds a 100% working interest in the North Beni Suef (NBS) Concession, which is located immediately south of the El Fayum Concession.

In Vietnam, Pharos has a 30.5% working interest in Block 16-1, which contains 97% of the Te Giac Trang (TGT) field and is operated by the Hoang Long Joint Operating Company. Pharos' unitised interest in the TGT field is 29.7%. Pharos also has a 25% working interest in the Ca Ngu Vang (CVN) field located in Block 9-2, which is operated by the Hoan Vu Joint Operating Company. Blocks 16-1 and 9-2 are located in the shallow water Cuu Long Basin, offshore southern Vietnam. Pharos also holds a 70% interest in and is designated operator of Blocks 125 & 126, located in the moderate to deep water Phu Khanh Basin, north east of the Cuu Long Basin, offshore central Vietnam.

In Israel, Pharos together with Cairn Energy plc and Israel's Ratio Oil Exploration, have eight licences offshore Israel. Each party has an equal working interest and Cairn is the operator.

## **DETAILS OF THE TRANSACTION**

### **1. Introduction**

On 14 September 2021, Pharos El Fayum, a wholly owned subsidiary of Pharos, entered into the Farm-Out Agreements with IPR and IPR Lake Qarun that will, on completion, result in Pharos El Fayum selling to IPR Lake Qarun a 55% interest in the El Fayum Concession and a 55% interest in the North Beni Suef Concession. Under two new JOAs to be entered into between Pharos El Fayum and IPR Lake Qarun at completion, IPR Lake Qarun will also be designated operator as between the Contractor parties under the Concessions. IPR is party to the Farm-Out Agreements as guarantor of the obligations of IPR Lake Qarun.

The firm consideration payable to the Pharos Group is US\$5 million on completion plus a disproportionate funding contribution from IPR Lake Qarun of US\$38.425 million (net Pharos' share), to be adjusted for economic date working capital as of 1 July 2020 ("Economic Date") and interim period cashflows from the Economic Date.

In addition, and as described in more detail in paragraph 3 below, the Pharos Group will be entitled to contingent consideration depending on the average Brent Price each year from 2022 to the end of 2025, capped at a maximum total payment of US\$20 million.

The Transaction is conditional upon, inter alia, the waiver or deemed waiver by EGPC of its pre-emption rights in respect of the Transaction and the signature of the Deeds of Assignment by EGPC and the Minister.

The Transaction is of sufficient size relative to that of the Pharos Group to constitute a Class 1 transaction under the Listing Rules and is therefore also conditional upon the approval of Pharos Shareholders. Pharos will publish a circular to Shareholders in due course setting out further details of the Transaction and convening the General Meeting, at which Shareholder approval will be sought for the Transaction.

## **2. Background to and Reasons for the Transaction**

In 2019, Pharos acquired a 100% working interest as the Contractor under the El Fayum Concession via its acquisition of Merlon El Fayum Petroleum Company (now Pharos El Fayum). Since the completion of this acquisition, Pharos has been awarded a 100% working interest in the highly prospective North Beni Suef Concession.

The producing El Fayum Concession is well understood with significant near-term production and cash flow growth available from a sustained period of drilling, with drilling targets and further development options already identified. The North Beni Suef Concession contains highly prospective acreage with significant resource potential, including several low risk prospects.

Prior to the COVID-19 pandemic and the oil price shock, 3 drilling rigs and 3 workover rigs were operating through Q1 2020. 7 wells (5 producers and 2 injectors) were drilled through to April 2020 in El Fayum. However, due to the uncertain macro-economic environment resulting from COVID-19, Pharos decided to conserve cash by issuing termination notices on 5 of the 6 rigs in Q2 2020 and engaged Jefferies to conduct a farm-out process for the Assets. The proceeds and disproportionate funding received from the Transaction, coupled with the anticipated improvement to El Fayum fiscal terms approved by EGPC and announced on 30 March 2021 and the continued strength in Brent pricing, will unlock the potential of both Concessions and strengthen the Pharos Group's financial and strategic position. In addition, Pharos will benefit from IPR's experience in operating in Egypt, low-cost set up and ownership of drilling and workover rigs.

### **About the IPR Energy Group**

The wider Improved Petroleum Recovery (IPR) Energy Group consists of specialized upstream oil and gas companies with extensive global experience and resources. Since inception in 1981 as an expert petroleum engineering firm executing turnkey EOR field development projects in public sectors, IPR Energy Group has expanded into field services and its core business of international E&P operations by applying state-of-the-art technology for the exploitation of oil and gas worldwide.

The IPR Energy Group's E&P portfolio spans operated and non-operated working interest in 8 concessions in Egypt, both onshore in the Western Desert, Nile Delta, and Eastern Desert and offshore in the Gulf of Suez, as well as producing leases in south Asia and the U.S.A.

To serve both its own E&P business and external clients, the IPR Energy Group provides a complete array of geological and petroleum engineering services using integrated technologies for exploration, field development and reservoir management, brown field production optimization, EOR applications, and training. Utilizing company-owned equipment, field services primarily include activities in drilling, workover, and pulling unit services; chemical, polymer, and gel services and supply; water shutoff treatments; and gas power generation.

In accordance with IFC Performance Standards, IPR Energy Group is committed to socially responsible best operational practices that positively contribute to communities where it operates.

### 3. Summary of the key terms of the Transaction

The consideration payable by IPR Lake Qarun in respect of the Transaction is as follows:

- Firm consideration of US\$5 million in cash on completion.
- IPR Lake Qarun to disproportionately fund the Pharos Group's retained interest share of the cost of future activities on the Assets for US\$38.425 million net to Pharos), to be adjusted for Economic Date working capital and interim period cashflows from the Economic Date (1 July 2020).
- Additional contingent consideration will be payable in respect of each of the calendar years 2022 to 2025 if the Brent Price in that year exceeds US\$62/bbl. The contingent consideration for each year will be equal to the amount by which the Brent Price for that year exceeds US\$62/bbl (rounded down to the nearest dollar or half-dollar) multiplied by US\$175,000, capped in respect of each calendar year at US\$5 million.
- IPR Lake Qarun has also agreed to reimburse Pharos El Fayum in cash at completion for the full amount of any assignment bonus or bonuses payable in respect of the Deeds of Assignment and, if the amount of the bonus for the Deed of Assignment relating to the El Fayum Concession exceeds US\$1 million, the excess will be deducted from the net funding by IPR of the Pharos Group's retained interest share of the Concessions.

The Transaction will be implemented by way of the sale of a 55% interest in each of the El Fayum and the North Beni Suef Concessions. IPR Lake Qarun and Pharos El Fayum will also sign new JOAs for both Concessions at completion. IPR Lake Qarun, as the new operator of both Concessions following completion, has agreed under the new JOAs to an aggregate cap on the general and administrative, or G&A, costs charged by it to the joint accounts for both Assets up to end 2022 (including the operator's organisational costs outside Egypt and the cost of operator personnel seconded to Petrosilah) at an annual equivalent of US\$2 million, subject to indexation from 1 January in the year following the second anniversary of completion. From 2023 onwards, the cap will only apply to the El Fayum JOA.

The Transaction is conditional upon the satisfaction or, where applicable, waiver of the following conditions, amongst others:

- the waiver or deemed waiver by EGPC of its pre-emption rights in respect of the Transaction;
- the receipt of EGPC's approval of the Deeds of Assignment;
- Pharos Shareholders passing a resolution to approve the Transaction at the General Meeting; and
- the signature of the third amendment to the El Fayum Concession containing the improved fiscal terms previously approved by EGPC.

If Shareholders do not approve the Transaction at the General Meeting then Pharos El Fayum would be required to pay a break fee of up to US\$1 million to IPR Lake Qarun. In addition, IPR Lake Qarun has agreed to pay to the Pharos Group a deposit of US\$1.2 million, which is retained if the Transaction does not complete as a result of IPR's or IPR Lake Qarun's breach of the Transaction Documents.

The Farm-Out Agreements are interconditional, such that completion under each Farm-Out Agreement is conditional on completion under the other unless otherwise agreed between the parties. If all of the conditions under the Farm-Out Agreements are not satisfied or, where applicable, waived by the first anniversary of the Farm-Out Agreements, or such later date as may be agreed between the parties, the Farm-Out Agreements will terminate and the Transaction will not proceed to completion.

Pharos El Fayum has given certain customary undertakings to IPR Lake Qarun in relation to the Sale Interests and its conduct of operations and activities in relation to the Assets between signature of the Farm-Out Agreements and completion of the Transaction, including an undertaking not to enter into any commitments relating to the Sale Interests other than in the ordinary course of that business during that period.

Pharos El Fayum has also given customary warranties to IPR Lake Qarun in connection with the Transaction, some of which will be repeated on the date of Completion. Pharos El Fayum's liability in relation to those warranties is subject to customary limitations and exclusions.

IPR Lake Qarun is not obliged, by virtue of the Farm-Out Agreements, to take on any of the Pharos Group's staff in Egypt or elsewhere. However, under the El Fayum Farm-Out Agreement, IPR Lake Qarun has agreed to reimburse to Pharos El Fayum the severance and other payments made or required by law as a result of an employee of the Pharos Group based in Egypt ceasing to be an employee of the Pharos Group between the date of the agreement and the date 6 months after completion of the Transaction if the individual concerned becomes an employee or consultant of the IPR Energy Group within 6 months after ceasing to be an employee of the Pharos Group.

Formal legal title to the Sale Interests will be transferred only on signature of the corresponding Deeds of Assignment by the parties thereto, including EGPC and the Minister.

#### **4. Information on the El Fayum and North Beni Suef Concessions**

##### **El Fayum Concession overview and history of development**

The El Fayum Concession covers an area of 1,564 km<sup>2</sup> in Egypt's low-cost and highly prolific Western Desert, and so benefits from extensive existing infrastructure and a well-developed service industry.

Pharos, through its wholly owned subsidiary Pharos El Fayum, acquired by Pharos on 2 April 2019, currently has a 100% Contractor interest in the El Fayum Concession. Field operations in the El Fayum Concession are conducted by Petrosilah, a 50/50 joint operating company between Pharos El Fayum and EGPC.

The El Fayum Concession was originally signed in 2004 and the majority of producing fields within the concession were discovered between 2009 and 2012. To date, over 130 wells have been drilled across the El Fayum Concession, the majority of which are development and appraisal wells.

Pharos has worked with ERCe to generate an El Fayum investment case that identifies a path towards production of over 10,000 bbls/day within 24 months of completion of the Transaction. This investment case includes 57 new wells (48 producers and 9 water injectors), and the 2022 and 2023 work programme and budget associated with the investment case has been agreed in principle by IPR Lake Qarun under the Farm-Out Agreement. This drilling campaign and the full deployment of a water flood programme, together with the anticipated improvement in the fiscal terms for the El Fayum Concession, are expected to result in a marked improvement to the Brent breakeven price on the Concession.

##### **North Beni Suef Concession overview and history**

The North Beni Suef Concession covers an area of 5,060 km<sup>2</sup> in the Beni Suef basin, immediately south of the El Fayum Concession and close to existing Egyptian production in adjacent development leases.

Pharos, through Pharos El Fayum, currently has a 100% operated Contractor interest in the North Beni Suef Concession, signed in December 2019 following a successful bid round.

The existing dataset on the North Beni Suef Concession consists of 3,101 km 2D seismic, 1,625 km<sup>2</sup> 3D seismic and data from 8 wells.

### Estimated Reserves

Pharos' net working interest 2P reserves as at YE 2020 for the El Fayum Concession and North Beni Suef Concession are outlined below:

Concession	Net 2P reserves YE 2020 (mmboe)
El Fayum	40.8
North Beni Suef	Nil

### Contractor Interests and operatorship

#### El Fayum Concession

Assuming the Transaction completes, the impact on the holdings of the Contractor interests in the El Fayum Concession will be as set out in the table below:

Contractor party	Interest pre-Transaction (%)	Interest post-Transaction (%)
Pharos El Fayum	100.0	45.0
IPR Lake Qarun	Nil	55.0 and operatorship*

\* As stated above, Petrosilah is the designated operating company under the El Fayum Concession and has full responsibility for field operations thereunder. The appointment of IPR Lake Qarun as operator following completion of the Transaction, as between the Contractor parties, will have no effect on the continuing status of Petrosilah as the operating company under the Concession.

#### North Beni Suef Concession

Assuming the Transaction completes, the impact on the holdings of the Contractor interests in the North Beni Suef Concession will be as set out in the table below:

Contractor party	Interest pre-Transaction (%)	Interest post-Transaction (%)
Pharos El Fayum	100.0	45.0
IPR Lake Qarun	Nil	55.0 and operatorship*

\* The North Beni Suef Concession provides for the appointment of a joint stock operating company involving EGPC following the first commercial discovery.

## 5. Financial effects of the Transaction and use of proceeds

The consideration payable to the Pharos Group by IPR Lake Qarun in respect of the Transaction is summarised at paragraphs 1 and 3 above.

Pharos intends to use the initial cash proceeds of the Transaction for general working capital and to pay fees and other costs relating to the Transaction. The gross value of the Assets (based on a 100% net working interest) as at 30 June 2021 was US\$108.9 million, as stated in the Group's interim results announced today. The loss before tax attributable to the Assets (based on a 100% net working interest) for the year ended 31 December 2020 was US\$124.6 million.

The Transaction is not expected to result in any material cash tax liability for the Pharos Group.



## **6. General Meeting**

As stated above, the Transaction requires the approval of Pharos Shareholders under the Listing Rules and, accordingly, completion of the Transaction is conditional upon Shareholders' approval being obtained at the General Meeting. A circular setting out further details of the Transaction, together with the notice to convene the General Meeting and the form of proxy for use at the General Meeting, will be published in due course.

The resolution to approve the Transaction will be proposed as an ordinary resolution that will be passed if a simple majority of the votes cast are in favour of the resolution.

## Appendix – Definitions

The following definitions apply throughout this announcement unless the context otherwise requires:

<b>2P</b>	equivalent to the sum of proved plus probable reserves; denotes best estimate scenario of reserves
<b>bbl</b>	barrel (of crude oil or other liquid hydrocarbons)
<b>Board</b>	the board of directors of Pharos
<b>Brent Price</b>	the average mid-point Brent (Dated) crude price in a calendar year, as reported by S&P Global Platts Crude Oil Marketwire or, which failing, an appropriate alternative to be agreed or determined
<b>Concessions</b>	the El Fayum Concession and the North Beni Suef Concession
<b>Contractor</b>	the party or parties identified as being, or forming part of, the "CONTRACTOR" as defined in the El Fayum Concession or, as the case may be, the North Beni Suef Concession
<b>Deeds of Assignment</b>	deeds assigning a 55% interest in the Contractor's rights and obligations in each of the El Fayum Concession and the North Beni Suef Concession from Pharos El Fayum to IPR Lake Qarun
<b>EGPC</b>	the Egyptian General Petroleum Corporation, an Egyptian state oil and gas company
<b>El Fayum Concession</b>	the Concession Agreement for Petroleum Exploration and Exploitation entered into on 15 July 2004 between the Arab Republic of Egypt, EGPC and Pharos El Fayum in respect of the El Fayum Area, Western Desert, as amended from time to time (or, as the context may require, the area to which this agreement applies)
<b>EOR</b>	enhanced oil recovery
<b>ERCe</b>	ERC Equipoise Limited, an oil and gas subsurface consultancy
<b>Farm-Out Agreements</b>	the agreements dated 14 September 2021 entered into between Pharos El Fayum, IPR and IPR Lake Qarun for the sale and purchase of the Sale Interests by Pharos El Fayum to IPR Lake Qarun
<b>FCA</b>	the Financial Conduct Authority
<b>General Meeting</b>	the general meeting of Pharos to be convened to approve the Transaction
<b>IPR</b>	IPR Energy AG, a company organised and existing under the law of Switzerland (company registration number CHE-362.773.377)
<b>IPR Lake Qarun</b>	IPR Lake Qarun Petroleum Co, an exempted company with limited liability organised and existing under the laws of the Cayman Islands (registration number 379306), a wholly owned subsidiary of IPR

<b>JOAs</b>		the joint operating agreements in the agreed form between Pharos El Fayum and IPR Lake Qarun in relation to the El Fayum Concession and the North Beni Suef Concession, to be entered into on completion of the Transaction (and references to the <b>El Fayum JOA</b> and <b>North Beni Suef JOA</b> shall be construed accordingly)
<b>Listing Rules</b>		the listing rules issued and maintained by the FCA
<b>Minister</b>		the Minister of Petroleum and Mineral Resources of the Arab Republic of Egypt
<b>North Beni Suef Concession</b>		the Concession Agreement for Petroleum Exploration and Exploitation entered into on 24 December 2019 between the Arab Republic of Egypt, EGPC and Pharos El Fayum in respect of the North Beni Suef Area, Nile Valley (or, as the context may require, the area to which this agreement applies)
<b>Petrosilah</b>		a joint stock company incorporated in the Arab Republic of Egypt on 1 July 2004 with Pharos El Fayum and EGPC each holding and owning, prior to completion of the Transaction, one half of the capital stock, designated as the operator under the El Fayum Concession
<b>Pharos</b>		Pharos Energy plc
<b>Pharos El Fayum</b>		Pharos El Fayum (formerly named Merlon Petroleum El Fayum Company), an exempted company with limited liability organised and existing under the laws of the Cayman Islands (registration number 78257), a member of the Pharos Group
<b>Pharos Group</b>		Pharos, its subsidiary undertakings and any other body corporate, legal entity, partnership or unincorporated joint venture in which Pharos or any of its subsidiary undertakings holds a participating interest (as such term is defined by section 1162 of the Companies Act 2006) from time to time and references to a <b>member of the Pharos Group</b> shall be construed accordingly
<b>Sale Interests</b>		<ul style="list-style-type: none"> <li>(a) a legal and a 55% share of the beneficial interest in the rights and obligations of the Contractor under the El Fayum Concession, a 55% participating interest under the El Fayum JOA and the corresponding 55% share of the legal and beneficial interest in the shares of Petrosilah to which the Contractor is entitled (being 27.5% of the shares in Petrosilah); and</li> <li>(b) a legal and a 55% share of the beneficial interest in the rights and obligations of the Contractor under the North Beni Suef Concession and a 55% participating interest under the North Beni Suef JOA</li> </ul>
<b>Shareholders</b>	or	<b>Pharos</b> the holders of the ordinary shares in the capital of Pharos
<b>Shareholders</b>		

<b>Transaction</b>	the proposed farm-out and sale of the Sale Interests by Pharos El Fayum to IPR Lake Qarun pursuant to the Farm-Out Agreements
<b>Transaction Documents</b>	the Farm-Out Agreements and the corresponding JOAs
<b>UK MAR</b>	the retained UK version of the Market Abuse Regulation (596/2014)
<b>workover</b>	a well intervention, which is any operation carried out on an existing well during or at the end of its productive life, which alters the state of the well and/or well geometry, provides well diagnostics, or manages the production of the well for the purpose of restoring, prolonging or enhancing production from that well