THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom, or, if not, another appropriately authorised independent financial adviser.

If you sell or transfer or have sold or otherwise transferred all of your Shares, please send this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be forwarded, distributed or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold part of your holding of Shares in the Company, please retain this document and the accompanying Form of Proxy and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was effected.

ENERGEAN PLC

(*incorporated in England and Wales under the Companies Act 2006 with registered number 10758801*)

Proposed acquisition of 30% of the total issued share capital of Energean Israel Limited

Circular to Shareholders and Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Energean plc ("Energean" or the "Company") which is set out in Part 2 (*Letter from the Chairman of Energean PLC*) of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at its registered office at Accurist House, 44 Baker Street, London, W1U 7AL at 10:00 a.m. on 19 February 2021 is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but, in any event, so as to arrive no later than 10:00 a.m. on 17 February 2021. In addition, CREST members may use the CREST electronic proxy appointment service. Details of the CREST electronic appointment method are found in Notes 12 to 16 of the Notice of General Meeting set out at the end of this document.

As a result of the ongoing COVID-19 global pandemic and the legal measures that the UK Government has put in place restricting public gatherings and all but essential travel, for the safety of our Shareholders, our employees, our advisers and the general public, attendance at the General Meeting in person will not be possible and Shareholders or their appointed proxies (other than the chair of the General Meeting and one other Shareholder, to ensure a quorum) will not be permitted entry to the General Meeting.

For a discussion of certain risk factors which should be taken into account when considering what action you should take in connection with the General Meeting, please see Part 3 (*Risk Factors*) of this document.

Morgan Stanley & Co. International plc ("**Morgan Stanley**"), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Energean plc and no-one else in connection with the Acquisition. Morgan Stanley will not regard any other person as its client in relation to the Acquisition and will not be responsible to any person other than Energean plc for providing the protections afforded to clients of Morgan Stanley or for the giving of advice in relation to the contents of this document or the Acquisition or any transaction, arrangement or other matter referred to herein. Apart from the responsibilities and liabilities, if any, which may be imposed on Morgan Stanley by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Morgan Stanley nor any of its affiliates accepts any responsibility whatsoever for the contents of this document including its accuracy, completeness and verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Shares or the Acquisition (as defined below). Morgan Stanley and its affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this document or any such statement or otherwise. No representation or warranty, express or implied, is made by Morgan Stanley or any of its affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document, and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS IN THE ACQUISITION

Latest time and date for receipt of Forms of Proxy	10:00 a.m. on 17 February 2021
General Meeting	10:00 a.m. on 19 February 2021
Expected date of Completion	Q1 2021

All references to time in this document are to London time unless otherwise stated.

The dates given are based on the Company's current expectations and may be subject to change. If any of the times or dates above change, the Company will give notice of the change by issuing an announcement through a Regulatory Information Service.

GENERAL INFORMATION

FORWARD-LOOKING STATEMENTS

This document may include certain forward-looking statements, beliefs or opinions, including statements with respect to the Group's or the Post-Acquisition Group's business, financial condition and results of operations. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other various or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. These statements are made by the Directors in good faith based on the information available to them at the date of this document and reflect the Directors' beliefs and expectations. By their nature these statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, developments in the global economy (including in response to the COVID-19 pandemic), changes in regulation and government policies, spending and procurement methodologies, currency, oil and gas and commodity price fluctuations, a failure in the Group's or the Post-Acquisition Group's health, safety or environmental policies and other factors discussed in Part 3 (*Risk Factors*) of this document.

No representation or warranty is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document speak only as of their respective dates, reflect the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's or the Post-Acquisition Group's operations and growth strategy. You should specifically consider the factors identified in this document which could cause actual results to differ before making any decision in relation to the Acquisition. Subject to the requirements of the FCA, the London Stock Exchange, the Listing Rules and the DTRs (and/or any regulatory requirements) or applicable law, the Company explicitly disclaims any obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document. Neither the forward-looking statements contained in this document, nor the statements in this General Information section seek to in any way qualify the working capital statement in Part 5 (*Additional Information*) of this document.

No statement in this document is or is intended to be a profit forecast or to imply that the earnings of the Company or Energean Israel for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company or Energean Israel.

Any information contained in this document on the price at which Shares or other securities in the Company have been bought or sold in the past, or on the yield on such shares or other securities, should not be relied upon as a guide to future performance.

NO OFFER OR SOLICITATION

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security.

PUBLICATION ON WEBSITE AND AVAILABILITY OF HARD COPIES

A copy of this document, together with all information incorporated into this document by reference to another source, is and will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Accurist House, 44 Baker Street, London W1U 7AL, United Kingdom in accordance with the measures imposed by the UK Government in connection with the COVID-19 pandemic, on the Company's website at www.energean.com/investors and upon an email request sent to cosec@energean.com from the time this document is published. For the avoidance of doubt, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

In particular, information on or accessible through the Company's corporate website does not form part of and is not incorporated into this document.

If you have received this document in electronic form, you may request a hard copy of this document and/ or any information incorporated into this document by reference to another source by contacting the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or between 9:00 a.m. and 5.00 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays), on 0370 703 6098 from within the UK or on +44(0) 370 703 6098 if calling from outside the UK (calls from outside the UK will be charged at the applicable international rate), with your full name and the full address to which the hard copy may be sent (calls may be recorded and monitored for training and security purposes).

PRESENTATION OF INFORMATION

Percentages in tables may have been rounded and accordingly may not add up to 100 per cent.

Certain data has been rounded and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

References to "£", "GBP" "pounds", "pounds sterling", "sterling", "p", "penny" or "pence" are to the lawful currency of the United Kingdom.

References to "EUR" are to the lawful currency of the European Union.

References to "$", "US$", "US Dollars", "US dollars" or "cents" are to the lawful currency of the United States of America.

NON-IFRS FINANCIAL INFORMATION

This document contains certain financial measures that are not defined or recognised under International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The Directors believe that each of these measures provides useful information with respect to the performance of the Group's and, following Completion, the Post-Acquisition Group's business and operations.

These non-IFRS financial measures and other metrics are unaudited and are not measures recognised under IFRS or any other internationally accepted accounting principles, and investors should not consider such measures as an alternative to the IFRS measures included in the Group's historical financial information. Even though the non-IFRS financial measures and other metrics are used by management to assess the Group's financial results and these types of measures are commonly used by investors, they have important limitations as analytical tools, and investors should not consider them in isolation or as substitutes for analysis of the Group's position or results as reported under IFRS.

An explanation of the relevance of each of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out below.

EBITDAX

EBITDAX is a non-IFRS financial measure that is calculated by the Group and the Energean Israel Group as profit or loss for the period adjusted for profit or (loss) for the period from discontinued operations, taxation (expense) / income, total depreciation, amortisation of intangible assets, impairment loss on property plant and equipment, exploration and evaluation expenses, other income, other expenses, finance income, finance costs, gain on derivative and net foreign exchange gain / (loss).

Capital expenditure and net debt

Capital expenditure is defined as additions to property, plant and equipment and intangible exploration and evaluation assets less lease asset additions, asset additions due to decommissioning provisions, capitalised share-based payment charge, capitalised borrowing costs and certain other non-cash adjustments. The capital expenditure is a useful indicator of the Group's organic expenditure on oil and gas development assets, exploration and evaluation assets incurred during a period because it eliminates certain accounting adjustments such as capitalised borrowing costs and decommissioning asset additions.

Net debt is defined as the Group's total borrowings less cash and cash equivalents. Management believes that net debt is a useful indicator of the Group's indebtedness, financial flexibility and capital structure because it indicates the level of borrowings after taking account of any cash and cash equivalents that could be used to reduce borrowings.

Capital expenditure and net debt presented by the Energean Israel Group in this document has been calculated based on information derived from the Energean Israel Group's historical financial information for the six months ended 30 June 2020 and the years ended 31 December 2019, 2018 and 2017. Capital expenditure and net debt presented by the Group in this document has been calculated based on information derived from the Group's historical financial information for the six months ended 30 June 2020 and the years ended 31 December 2019, 2018 and 2017.

RESERVE AND RESOURCE REPORTING

D&M Israel Report

On 10 November 2020, pursuant to a pre-existing requirement in the Company's agreements with its lenders, the Company announced the completion of an independent competent person's report prepared by DeGolyer and MacNaughton ("**D&M**") relating to the reserves in the Karish Main, Karish North and Tanin fields, offshore Israel, plus prospective resources in the Karish and Tanin leases plus Block 12 (the "**D&M Israel Report**") and reflecting a balance sheet date of 30 June 2020. The Company expects to publish an update to the D&M Israel Report reflecting a balance sheet date of 31 December 2020 in February 2021.

The D&M Israel Report was prepared in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System ("**PRMS**") approved in 2007 and revised in 2018 by professional groups led by the Society of Petroleum Engineers. Information in this document of a scientific or technical nature relating to the Group has been extracted without material adjustment from, or is otherwise consistent with, the D&M Israel Report.

The D&M Israel Report presents reserves and prospective resources at 30 June 2020 and the base case valuation was based on a US$60 flat, uninflated, long-term (2023 onwards) Brent price plus the weighted average floor pricing within the Company's gas sales agreements.

Oil prices are volatile, and adverse movements thereof, could be expected to have a significant adverse effect on the estimates of revenues generated by hydrocarbon liquids sales and, depending on the cost of production associated with in-place technical volumes, could potentially be expected to have an adverse effect on estimated commercial reserve volumes. However, as Energean Israel's development projects are underpinned by gas sales agreements that include provisions for floor prices that underpin the projects' economics, adverse movements in oil prices would not be expected to have an adverse effect on estimated commercial liquids volumes.

Shareholders should not place undue reliance on the ability of D&M to predict actual reserves.

The information on resources in this document is based on economic and other assumptions that may prove to be incorrect.

Reserves and resources data

The reserves and resources data contained in this document are estimates only (and should not be construed as representing exact quantities); and are based on a report prepared by technical experts and does not reflect events and activities subsequent to the relevant report date. The technical experts have prepared their reports based on production data, prices, costs, ownership, geophysical, geological and engineering data, the interpretation of seismic data and other information assembled by the Company and Energean Israel, including drilling results. Such interpretation and estimates of the amounts of oil and gas resources are subjective and the results of drilling, testing and production subsequent to the date of any particular estimate may result in substantial upward or downward revisions to the original interpretation and estimates. Furthermore, different reservoir engineers may make different estimates of reserves, resources and production based on the same available data.

Estimating the value and quantity of economically recoverable oil and natural gas reserves and consequently the rates of production, net present value of future cash flows realised from those reserves and contingent resources and the timing and amount of capital expenditure, necessarily depend upon a number of variables and assumptions, such as ultimate reserves recovery, interpretation of geological and geophysical data, marketability of oil and gas, royalty rates, continuity of current fiscal policies and regulatory regimes, future oil and gas prices, operating costs, development and production costs and work over and remedial costs, all of which may vary from actual results.

The estimates also assume that the future development of the Post-Acquisition Group's fields and the future marketability of their oil, condensate and natural gas will be similar to past development and marketability, that the assumptions as to capital expenditure and operating costs are accurate and that the capital expenditure strategy of the Post-Acquisition Group is successfully implemented by it.

Nothing in this document should be interpreted as assurances of the Post-Acquisition Group's oil and gas resources, reserves, the production profiles of the Post-Acquisition Group's assets or the development plans of the Post-Acquisition Group. If the estimates of the oil and gas resources, reserves, production profiles and development plans of the Post-Acquisition Group's assets and the assumptions on which they have been based prove to be incorrect, the Post-Acquisition Group may be unable to produce the estimated levels or quality of oil and gas set out in this document (or any oil and gas at all), actual production, revenues and expenditures with respect to reserves and contingent resources will vary from estimates, and the variances may be material (in particular given the addition of assets to the Post-Acquisition Group's portfolio, and the portfolio in relation to which estimates are being made being significantly larger following Completion), and the Post-Acquisition Group's business, prospects, financial condition and results of operations could be materially and adversely affected.

CERTAIN DEFINED TERMS

Certain terms used in this document, including capitalised terms and certain technical and other items, are defined and explained in Part 6 (*Definitions*) and Part 7 (*Glossary*) of this document.

PART 1

DIRECTORS, SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISERS

Directors	Karen Simon, Non-Executive Chairman Matthaios Rigas, Chief Executive Officer Panagiotis Benos, Chief Financial Officer Andrew Bartlett, Senior Independent Director Efstathios Topouzoglou, Non-Executive Director Robert Peck, Independent Non-Executive Director Amy Lashinsky, Independent Non-Executive Director Kimberley Wood, Independent Non-Executive Director Andreas Persianis, Independent Non-Executive Director
Company Secretary	Russell Poynter
Registered and head office of the Company	Accurist House, 44 Baker Street, London W1U 7AL, United Kingdom
Sponsor	Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom
Legal advisers to the Company	White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom
Legal advisers to the Sponsor	Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG, United Kingdom
Auditor and Reporting Accountants	Ernst & Young LLP, 1 More London Place, London SE1 2AF, United Kingdom
Registrars	Computershare Investor Services PLC, The Pavilions Bridgwater Road, Bristol BS13 8AE, United Kingdom

PART 2

LETTER FROM THE CHAIRMAN OF ENERGEAN PLC

(incorporated in England and Wales under the Companies Act 2006 with registered number 10758801)

Accurist House
44 Baker Street
London W1U 7AL

3 February 2021

To Shareholders

Dear Shareholder

Proposed acquisition of 30% of the total issued share capital of Energean Israel Limited

1 Introduction

On 30 December 2020, the Company announced that Energean E&P Holdings Limited ("**Energean E&P Holdings**"), a wholly-owned subsidiary of the Company, had entered into a conditional sale and purchase agreement dated 29 December 2020 to acquire Kerogen Investments No. 38 Limited's ("**Kerogen**") entire interest in Energean Israel Limited ("**Energean Israel**"), which constitutes 30% of the total issued share capital of Energean Israel (the "**Minority Interest**") (the "**Acquisition**") for a total consideration of between US$380 million and US$405 million (the "**Total Consideration**"). The Total Consideration includes:

- US$175 million of up-front cash consideration (the "**Up-Front Cash Consideration**").
- Between US$125 million and US$150 million of deferred cash consideration (the "**Deferred Cash Consideration**"), the latest payment of which can be thirty days following the Practical Completion Date. Before the Practical Completion Date, Energean E&P Holdings has the option, at its sole discretion, to pay the Deferred Cash Consideration at any point, in accordance with the following schedule:

Early Payment Date	Amount Payable (US$ millions)
On or before 31 March 2021	125.0
On or before 30 April 2021	127.5
On or before 31 May 2021	130.0
On or before 30 June 2021	132.5
On or before 31 July 2021	135.0
On or before 31 August 2021	137.5
On or before 30 September 2021	140.0
On or before 31 October 2021	142.5
On or before 30 November 2021	145.0
On or before 31 December 2021	147.5
After 31 December 2021	150.0

- A further US$30 million of deferred cash consideration, payable on 31 December 2022 (the "**Additional Deferred Cash Consideration**").
- US$50 million of convertible loan notes, to be issued by the Company to Kerogen, which have a maturity date of 29 December 2023, a strike price of GBP 9.50 and zero coupon (the "**Convertible Loan Notes**"). Issuance of the Convertible Loan Notes requires no up-front cash outlay by the Company.

The Up-Front Cash Consideration will be funded through an 18-month US$700 million new term loan facility provided by J.P. Morgan AG and Morgan Stanley Senior Funding, Inc. as bookrunners and mandated lead arrangers, with J.P. Morgan AG acting as facility agent and HSBC Bank USA, N.A. acting as security agent (the "**Term Loan**"). The Term Loan has been sized to cover a variety of uses of proceeds. The primary uses of the Term Loan are to (i) fund the Up-Front Cash Consideration and (ii) enable acceleration of the development of Karish North, allowing the capital expenditure on the project to be undertaken in advance of first gas from Karish Main, which is expected in 4Q 2021 / 1Q 2022, with the timeline contingent on the ramp-up of the workforce in Singapore. A description of the Term Loan and its additional uses are set out in paragraph 9.1.1(d) in Part 5 (*Additional Information*) of this document.

If the Deferred Cash Consideration is paid following the Practical Completion Date of the Karish project, the Total Consideration will be US$405 million. If the Company elects to pay the Deferred Cash Consideration earlier than 31 December 2021, the Total Consideration could be reduced by up to US$25 million, to US$380 million. These deferred payments are expected to be funded from optimisation of the Group's capital structure both pre and post-first gas from Karish and future cash flows (as applicable). The Directors anticipate refinancing the Senior Credit Facility, as defined and described in more detail at paragraph 9.1.1(c) in Part 5 (*Additional Information*) of this document, before the end of 2Q 2021. In the context of the refinancing of the Senior Credit Facility the Group is investigating all options, which include debt capital markets, reserve-based-lending and corporate debt facilities. The refinancing will be carried out in line with Energean's medium-term target of a net debt / EBITDAX ratio of below 2.0x. The extended maturity date of September 2022 of the Senior Credit Facility enables ample time for the Company to fully optimise the capital structure of Energean Israel (following completion of the Acquisition) both pre- and post-first gas from Karish through a proposed refinancing process.

The Acquisition is subject, *inter alia*, to:

- the approval of the Acquisition by the Israeli Petroleum Commissioner, which is expected to be received before the end of February 2021;
- the approval of the Shareholders pursuant to the passing of the Resolutions (as defined below);
- if determined to be required by the lenders, the approval of the Acquisition by the lenders under the Energean Israel Facility Agreement or the expiry of a period of 30 calendar days after the lenders are notified of the Acquisition without any response being received; and
- the discharge of a pledge granted by Kerogen over the Minority Interest to the security agent in respect of the Energean Israel Facility Agreement in return for the Buyer (as defined below) re-pledging the Minority Interest at Completion.

The Acquisition is a "related party transaction" for the purposes of the Listing Rules because Kerogen is a substantial shareholder in Energean Israel, a subsidiary of the Company. The Acquisition is also a "class 1 transaction" for the purposes of the Listing Rules because of its size.

As a result of the above factors, the Acquisition is conditional, *inter alia*, upon the approval of the Shareholders pursuant to the passing of (i) the ordinary resolution to approve the Acquisition as a Class 1 Transaction (for the purposes of Chapter 10 of the FCA's Listing Rules) and as a Related Party Transaction (for the purposes of Chapter 11 of the FCA's Listing Rules) (the "**Ordinary Resolution**") and (ii) the special resolution to approve the issuance of any Shares which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights (the "**Special Resolution**", together with the Ordinary Resolution, the "**Resolutions**") contained in the notice of General Meeting set out at the end of this document.

The purpose of this document is to (i) explain the background to and reasons for the Acquisition, (ii) provide you with information about Energean Israel, (iii) explain why the Directors unanimously consider the Acquisition to be in the best interests of the Shareholders as a whole and (iv) recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

2 Background to and reasons for the Acquisition

2.1 Background

Since its Initial Public Offering in March 2018, the Company has continued to focus on its strategy of becoming the leading independent, gas-focused E&P company in the Mediterranean, driven by development of the 3.5 Tcf Karish Main, Karish North and Tanin gas fields, offshore Israel. To accelerate this strategy, the Company sought to assess acquisition opportunities within its core region of focus on a case-by-case basis, focusing only on opportunities that would create meaningful value for Shareholders.

On 17 December 2020, the Company completed the acquisition of Edison Exploration & Production S.p.A. ("**Edison E&P**") from Edison S.p.A. ("**Edison**") for a gross consideration, with economic reference date of 1 January 2019, of US$284 million plus up to US$100 million of contingent consideration (the "**Edison E&P Acquisition**"). As a result of the Edison E&P Acquisition, the Group is one of the larger independent E&P companies by reserves listed on the London Stock Exchange.

Energean Israel holds a 100% working interest in the Karish and Tanin leases, offshore Israel. The D&M Israel Report certified gross 2P reserves of 98.2 Bcm (3.5 Tcf) of gas and 99.6 MMbbls of liquids across the Karish Main, Karish North and Tanin fields as at 30 June 2020, representing approximately 729 MMboe in total. The Company's flagship Karish gas development project is expected onstream in 4Q 2021 / 1Q 2022.

Energean Israel also owns a 100% working interest in four exploration blocks (Blocks 12, 21, 23, 31[1]) offshore Israel that offer low-risk, near-infrastructure drilling opportunities to be targeted by its next drilling programme, which is expected to commence in early 2022. The D&M Israel Report estimated gross risked prospective resources across the Karish and Tanin leases and Block 12..

Energean Israel also has an 80% working interest in a further four blocks in Zone D, offshore Israel.

The Acquisition, which is being transacted on attractive metrics, is in line with the Company's stated strategy of creating the leading independent, gas-focused E&P company in the Mediterranean, and is expected to add meaningful incremental free cash flows which will support the Group's ambition to start paying a meaningful and sustainable dividend following first gas from the Karish project.

Significant increase in 2P reserves and prospective resources

The Acquisition adds 2P reserves of 29 Bcm of gas and 30 MMbbls of liquids, representing approximately 219 MMboe in total. The Post-Acquisition Group will have 974 MMboe of 2P reserves, an increase of 29% on the previous position, as follows:

	Bcm	MMbbls	MMboe
Energean existing working interest 2P reserves in Israel	69	70	511
Energean excl. Israel working interest	24	96	245
Total existing Energean reserves	93	165	755
Minority Interest position	29	30	219
Total reserves post completion of the Acquisition	123	195	974
% increase	32%	18%	29%

Attractive metrics

The Acquisition is being transacted at:

- An equity acquisition price/2P boe of between US$1.74 and US$1.85 with incremental upside from the additional prospective resources that the Acquisition delivers to the Company. When taking into account the current Minority Interest net debt position of US$340 million, this represents an enterprise value ("**EV**") / 2P boe of between US$3.29 and US$3.40.
- A price of approximately 1x the forecast Minority Interest annual EBITDAX, which is expected to be approximately US$400 million per year when the gas sales profile is on plateau.

[1] Note: depending on timing, the fifth block may need to be explained, which the Company is in the process of relinquishing.

- A level that achieves payback within three years, including the ongoing capital expenditure associated with completing the Karish project plus the new investments expected for Karish North.
- A 43% discount to the estimated EV of the Minority Interest, based on the D&M Israel Report valuation estimates and net debt position at 30 June 2020.

The estimated discount to EV is based on the following:

- The D&M Israel Report valued the 2P reserves associated with the Karish Main, Karish North and Tanin fields at US$3.1 billion (based on a Brent price of US$60.00 per barrel plus a 10% premium and a price of US$4.04 per million British thermal units for gas), discounted to 30 June 2020 and using a 10% discount rate. Discounted to 1 January 2021, to align with the economic reference date of the Acquisition, the total valuation would have been an estimated US$3.5 billion. The estimated value of the Minority Interest in the assets would therefore have been approximately US$1.0 billion.
- At 31 December 2020, US$1.15 billion had been drawn down from the US$1.45 billion project finance facility and Energean Israel held cash of approximately US$37 million; the minority interest in the net debt position is therefore approximately US$334 million.
- The D&M Israel Report valuation, adjusted for the net debt position in Energean Israel, gives an estimated EV for the Minority Interest of approximately US$710 million.
- At a Total Consideration of US$405 million, this is a 43% discount to the estimated EV of the Minority Interest.

Capital structure optimisation

Full control over Energean Israel as a result of completion of the Acquisition would enable the Company to optimise the capital structure of the Group, in particular Energean Israel, to include:

- the funding of the Karish Main and Karish North projects;
- a proposed refinancing of the Senior Credit Facility, which the Directors anticipate to take place before the end of 2Q 2021, subject to market conditions. In the context of the refinancing of the Senior Credit Facility the Group is investigating all options, which include debt capital markets, reserve-based-lending and corporate debt facilities. The refinancing will be carried out in line with Energean's medium-term target of a net debt / EBITDAX ratio of below 2.0x; and
- movement of capital between Energean Israel and the Company, especially following first gas from Karish.

The Directors believe that this will enhance the Company's ability to maximise the total shareholder returns generated by the projects.

Gas-focused, complementing the Company's strategic commitment to net-zero

86% of 2P reserves and 82% of production on plateau will be gas, therefore, the Company believes that the Acquisition is well-aligned with the Company's gas-focused transition fuel strategy.

The Directors estimate that the Karish project will generate carbon dioxide emissions intensity of less than 4.5 $kgCO_2$/boe once production is on plateau, which emissions intensity for such oil and gas production is approximately 25% of the current global average.

The Karish project is integral to Israel's target of replacing coal-fired power generation with gas. This transition will reduce Israel's carbon dioxide emissions significantly each year. As such, the project as well-aligned with the Company's strategic commitment to help transition to a net-zero carbon world.

Near term growth further amplified

Energean Israel has signed gas sales and purchase agreements to supply its customers with 7.4 Bcm/yr of Karish gas on plateau and associated oil production is expected to achieve a plateau rate of approximately 28 kboed, a total production level of approximately 158 kboed (82% gas).

The Acquisition increases working interest production by 47 kboed. Following completion of the Acquisition, working interest production from the Post-Acquisition Group is expected to have a trajectory to more than 200 kboed once Karish Main and Karish North are producing on plateau.

2.2 Financing of the Acquisition

The Up-Front Cash Consideration for the Acquisition is US$175 million and will be funded by the Term Loan, which was signed on 13 January 2021.

The Deferred Cash Consideration will be between US$125 million and US$150 million, depending on the point at which the Company elects to make the payment. The Additional Deferred Cash Consideration is US$30 million. These deferred payments are expected to be funded from optimisation of the Group's capital structure both pre- and post-first gas from Karish and future cash flows (as applicable).

The Convertible Loan Notes represent US$50 million of consideration and have the following features:

- The strike price is £9.50, representing a premium of 8% to the Company's share price as at market close the day before this Circular, with a maturity date of 29 December 2023.
- At an exchange rate of US$1.3486=GBP 1.00 (per the terms of the Convertible Loan Notes) and approximately 177.1 million shares in issue, conversion would, if fully exercised, result in dilution of approximately 2% of the Company's issued share capital.
- The Convertible Loan Notes attract no coupon rate and Kerogen can call for conversion at any point during the term of the Convertible Loan Notes; conversion events carry a minimum conversion value of US$5 million and include a 90-day period between the submission by Kerogen of any subsequent conversion notice.
- Cash settlement is only available to Kerogen at maturity or upon the occurrence of an event of default.
- Issuance of the Convertible Loan Notes results in no immediate cash flows; the sole cash flow that could result for the Company is in the event the Kerogen elects for cash settlement on maturity, upon the occurrence of an event of default or if the Special Resolution is not passed within 18 months following Completion.

Issuance of the Shares which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights will require Shareholder approval (pursuant to the Special Resolution), which will be sought at the General Meeting for Shareholder approval for the Acquisition. If approval of the Shareholders of the Special Resolution is not obtained at the General Meeting, the Seller shall be entitled (but not required) to waive the condition that the Special Resolution must be passed at the General Meeting, provided that following Completion the Company and Energean E&P must use best endeavours to procure the passing of the Special Resolution as soon as reasonably practicable after Completion and in any event no later than 18 months following Completion. If by 18 months following Completion, approval of the Special Resolution (or any other special resolution which would disapply the statutory pre-emption rights in respect of the Shares to be issued pursuant to the Convertible Loan Notes) has not been obtained, the Convertible Loan Notes will lose their convertibility and become repayable in cash.

3 Information on Energean Israel

3.1 Energean Israel Portfolio Overview

The Energean Israel portfolio includes development assets, which are the 3.5 Tcf Karish Main, Karish North and Tanin fields, offshore Israel, as well as balanced-risk exploration opportunities across the portfolio.

Energean Israel holds 100% interests in the Karish and Tanin leases and in Blocks 12, 21, 23 and 31, as well as 80% interests in four licences in Zone D in Israel's EEZ, with Israel Opportunity holding the remaining 20%.

The following table summarises the key current development and exploration assets of the Energean Israel portfolio.

Key Assets & Operations

Region	Producing	Development	Exploration & Appraisal
Israel.................................	—	Karish (gas) Tanin (gas) Karish North (gas)	Karish Tanin Blocks 12, 21, 23 & 31 Blocks 55, 56, 61 and 62

3.2 Summary of reserves

The D&M Israel Report presents reserves and resources as at 30 June 2020.

Gross 2P Reserves

According to the D&M Israel Report, D&M has certified 2P reserves in respect of the Karish Main, Karish North and Tanin (on a gross 100% basis) as at 30 June 2020 as follows:

	Liquids MMbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent MMboe
Karish Main	61.0	1,409	39.9	317.0
Karish North	34.1	1,137	32.2	240.7
Tanin	4.5	921	26.1	171.7
Total	**99.6**	**3,467**	**98.2**	**729.4**

The Company expects to publish an update to the D&M Israel Report reflecting a balance sheet date of 31 December 2020 in February 2021.

3.3 Overview of key assets

The following table summarises the key current development and exploration assets of the Energean Israel portfolio.

Asset	Location	Operator	Energean's working interest	Partner's working interest	Licence Expiration
Karish..................	Israel	Energean Israel	70%	30% (Kerogen)	August 2044
Tanin....................	Israel	Energean Israel	70%	30% (Kerogen)	August 2044
Block 12	Israel	Energean Israel	70%	30% (Kerogen)	January 2022
Block 21	Israel	Energean Israel	70%	30% (Kerogen)	January 2022
Block 23	Israel	Energean Israel	70%	30% (Kerogen)	January 2022
Block 31	Israel	Energean Israel	70%	30% (Kerogen)	January 2022
Block 55	Israel	Energean Israel	56%	20% (Israel Opportunity) 24% (Kerogen)	October 2022
Block 56	Israel	Energean Israel	56%	20% (Israel Opportunity) 24% (Kerogen)	October 2022
Block 61	Israel	Energean Israel	56%	20% (Israel Opportunity) 24% (Kerogen)	October 2022
Block 62	Israel	Energean Israel	56%	20% (Israel Opportunity) 24% (Kerogen)	October 2022

The key assets above are described in greater detail below.

Karish

Overview

The Karish lease contains two gas discoveries: Karish Main and Karish North. The Karish Main field was discovered in 2013 and is in the process of development by Energean Israel. Its field development plan was approved by the Israeli government in August 2017 and the project was sanctioned by the Energean Israel Board in March 2018. First gas is expected in December 2021 / 1Q 2022.

The Karish North field was discovered in Q2 2019. Energean Israel completed sidetrack appraisal operations at Karish North, confirming initial best estimate recoverable resources of 0.9 Tcf (25 Bcm) plus 34 MMbbls of light oil / condensate (combined approximately 190 MMboe). A notional development scheme for this satellite discovery was included in the original approved Karish and Tanin field development plan and a revised field development plan was submitted to, and approved by the Israel Ministry of Energy following completion of appraisal operations during 2020.

The Karish lease is located in the north of Israel's EEZ approximately 75km offshore Israel. The water depth is about 1,750m. Karish lies some 25km northeast of the Tamar field.

The development well at Karish North is expected to be drilling in 2022, and will be part of a wider exploration and appraisal drilling programme.

Lease details—Karish

Area km^2	250
Original grant date	11 August 2014
Area km^2	250
Lease issue date	11 August 2014
Lease expiry date	August 2044 (with an option to extend by an additional 20 years in accordance with Section 29 of the Petroleum Law)
Lease type	Tax-Royalty Regime (Concessionary System)
Main plays	Proven Early-Miocene Tamar Sands play (A, B, C and D units)
Number of active wells	0
Lease holder	Energean Israel (100%)
Lease participants	Energean Israel (70%, operator), Kerogen (30%)
Data available	3D seismic acquired in 2010 plus a full geophysical dataset from the Karish-1 exploration well. Additional data was gathered from the Karish Main and Karish North exploration wells plus the three Karish Main development wells
Royalties payable	Government Royalties: The leaseholder is required to pay royalties of I%, calculated with reference to the value of production at the wellhead. After accounting for value of production at the wellhead, royalties are expected to represent, at most, 11.5% of overall production. Government royalties are deductible for corporate tax Seller Royalties: Payable to existing royalty holders (Delek and partners) at a total rate of 7.5%, increasing to 8.25% after the date at which the lease in question starts to pay the Sheshinsky Levy less royalties due under existing royalties for the benefit of other third parties to be paid directly to such third parties. The royalty is calculated on the value of the total amount of gas and hydrocarbon liquids produced at the well head without any deduction (except for gas and hydrocarbon liquids used in the production process).No seller royalties will be payable on future production from Energean Israel's other blocks (e.g. Block 12) that were not part of the original acquisition.
Tax regime	Corporate income tax is applied at a rate of 23% Sheshinsky Levy: The Sheshinsky tax is levied by lease; i.e. there are separate calculations for the Karish lease (Karish Main and Karish North) and Tanin lease. The levy is applied based on an R Factor calculated as Accumulated Net Revenue / Accumulated Development Capex, all on a cash basis. Net Revenue is stated after government royalties, operating costs and any capital expenditure that is incurred more than two years after first production from the field. Accumulated Development Capex includes all capex incurred up until two years after first production. Development capex is inflated at 12-month LIBOR +

	1.03 between the development period and date of first production. Exploration Costs are included in Accumulated Development Capex at two times the original cost. At an R factor of below 1.5, the Sheshinsky levy is 0%. At an R factor between 1.5 and 2.3, the Sheshinsky levy is a sliding scale between 20% and 46.8%. At an R factor of above 2.3, the Sheshinsky levy is 46.8%.
Hydrocarbons export regime.....	100% of gas produced from the Karish Main and Tanin leases must be sold to the Israeli domestic market. Gas produced from the Karish North lease and potential discoveries on Energean's other Israeli leases e.g. Block 12 are not subject to export restrictions.
Other provisions applicable to Karish..	Payments to Delek of US$10.85 million per year are payable until March 2027. Interest is charged at 4.6% Permits required for the operation of the production system; local content requirements (lease holder of both leases to invest in local content of no less than US$80 million over eight years); requirements regarding abandoning the production system and plugging wells; bank guarantees to be provided as collateral for fulfilling the terms of the leases and terms for their forfeiture; guidelines for environmental protection, safety, and security; provisions regarding liability, indemnification and insurance.

Reserves and resources

Gross 2P Reserves as at 30 June 2020

	Liquids MMbbls	**Sales Gas Bcf**	**Sales Gas Bcm**	**Total Oil Equivalent MMboe**
Karish	61	1,409	40	317
Karish North	34	1,137	32	241
Total	**95**	**2,546**	**72**	**558**

The D&M Israel Report has certified gross 2P reserves in the Karish field of 1,409 Bcf (40 Bcm) of gas plus 61 MMbbls of liquids, as well as 1,137 Bcf (32 Bcm) of gas and 32 MMbbls of liquids in Karish North; representing approximately 558 MMboe.

Field development plan

In August 2017, Energean received Israeli Governmental approval for the field development plan of its flagship Karish-Tanin gas development project, where it intends to use the only FPSO in the Eastern Mediterranean to produce first gas, expected in December 2021 / 1Q 2022. Karish was originally prioritised for development ahead of Tanin as it was the largest discovery, closest to shore and expected to provide the highest liquids yield.

Final Investment Decision ("**FID**") was taken in March 2018 and cash capital expenditure between FID and first production is expected to total approximately US$1.8 billion.

Around the same time as FID, TechnipFMC was awarded a lump sum turnkey contract for engineering, procurement, and construction, while Stena Drilling was selected for the development drilling and exploration campaign. An additional US$140 million of capex is expected to be incurred before first production but paid on a deferred basis to TechnipFMC out of Energean Israel's operating cash flow following first gas at Karish.

Further to the Protection Decision (Government Decision 2592), in June 2019, Energean Israel signed an agreement with INGL for the transfer of title of the near shore and onshore part of the infrastructure that will deliver gas from the Energean Power FPSO into the Israeli national gas transmission grid. As consideration, INGL will pay Energean 369 million Israeli New Shekels, approximately US$113 million, which is being paid in accordance with milestones detailed in the agreement and is, in effect, a reduction to the capital expenditure budgeted described above. The agreement covers the onshore section of the Karish and Tanin infrastructure and the near shore section of pipeline extending to approximately 10km offshore. It is intended that the handover to INGL will become effective shortly after delivery of first gas from the Karish field. Following the handover, INGL will be responsible for the operation and maintenance of this part of the infrastructure. Energean Israel will not incur any charges or tariffs for the use of this infrastructure.

Energean Israel discovered the Karish North field in April 2019. Subsequent appraisal drilling confirmed commercial gas volumes and FID was taken in January 2021 following approval of the field development plan. The initial investment for Karish North is expected to be approximately US$150 million (excluding the cost of the second riser and oil train that are required to deliver higher levels of production), which includes completion of the existing well as a producer plus tie-back to the Energean Power FPSO. First gas is anticipated in 2H 2023.

A second well, costing approximately US$70 million, is expected to be drilled into the Karish North reservoir in the mid-2020s.

Karish Main will be developed with three wells (KM-01, KM-02 and KM-03) tied back to the Energean Power FPSO via a four-slot subsea manifold. All three wells were successfully drilled between 2019 and 1Q 2020 and testing confirmed that each well is capable of producing at the 300 MMcfd design capacity when connected to the FPSO. As total gas sales agreements now mean that gas production will be above 6.5 Bcm/yr, Energean Israel expects to install a second gas riser at a cost of approximately US$50 million. The second riser is expected to become operational before the end of 2022.

Following performance testing, Energean estimates that liquids production from Karish Main and Karish North could deliver approximately 28 kbopd at peak, and a production plateau averaging around 27.8 kbopd over five years. The initial design capacity of the FPSO accommodates liquids production of approximately 21 kbopd but enables easy addition of a second liquids processing train, which will increase liquids production capacity to 35 kbopd. Capital expenditure associated with these facilities is estimated to be around US$40 million. The FPSO has liquids storage capacity of up to 800,000 barrels.

Following first gas from Karish North, the overall Karish project will be able to produce to the full 8 Bcm/yr capacity of the Energean Power FPSO, whilst retaining some redundancy in the well stock. As of end-2020, Energean Israel had contracts in place to supply 7.4 Bcm/yr of gas on plateau into the Israeli domestic market.

In general, gas production from the Karish Main and Tanin leases must be sold to the Israeli domestic market subject to certain exceptions, and gas produced from the Karish North discovery could receive an export quota, however, at this time it is not possible to assess the potential conditions under which the Group might be granted an export quota. A number of potential export routes to Europe are under evaluation, including the proposed 1,900-kilometre east Mediterranean pipeline which will deliver gas from the Levantine Basin (Israel) to Southern Europe.

Under the TechnipFMC EPCIC Contract, TechnipFMC is obliged to achieve practical completion by 31 March 2021. Liquidated damages would be payable by TechnipFMC for delays beyond this date (or if the name plate system capacity of 800 mmscf/day of on-specification sales gas cannot be demonstrated). That 31 March 2021 deadline is subject to a potential extension of time, due to force majeure delay. Energean Israel has received notices under the TechnipFMC EPCIC Contract in relation to the travel restrictions in China and, Singapore and the COVID-19 global pandemic, constituting force majeure events, potentially entitling TechnipFMC to claim an extension of time under the contract, however, TechnipFMC's claim for such an extension of time is yet to be agreed. First gas from Karish Main is now anticipated in December 2021 / 1Q 2022.

A description of the remaining anticipated timetable to first gas is set out below.

Karish timetable to first gas

2021	Sailaway of FPSO from Singapore to Israel Hook up of risers to FPSO Commissioning and start-up of FPSO First gas target
2022	First gas if no ramp in the workforce in Singapore Practical Completion Date (as defined in the TechnipFMC EPCIC Contract)

Due to regional geopolitical tensions, enhanced security and defence measures, as required by law and under the lease requirements, will be taken for the protection of the FPSO. Energean Israel is responsible for general security measures, in accordance with Israeli Defence Force guidelines, while the regulatory authority for defence systems lies with the Israeli Defence Forces and will, by law, be led by the Israeli Navy acting as the Israel government's regulatory defence entity.

Tanin

Overview

The Tanin lease is situated approximately 40-kilometres west of the Karish lease in water with a depth of approximately 1,800 metres. Energean Israel expects to develop the Tanin A, B and C fields after the Karish Main and Karish North fields. Block 12, which is located between the Karish and Tanin leases, is expected to be a key drilling target. Any discovery in that block would be prioritised over the development of Tanin. Block 12 is expected to generate attractive incremental economics, due to lower capital expenditure investment (as compared to Tanin) and the absence of any seller royalties, unlike the Karish and Tanin leases, as Block 12 was not part of the original Karish-Tanin acquisition. Energean Israel expects to re-start its successful exploration campaign on Block 12 in early 2022.

Lease details—Tanin

Area km^2	250
Lease issue date	11 August 2014
Lease expiry date	August 2044 (with an option to extend by an additional 20 years in accordance with Section 29 of the Petroleum Law)
Main plays	Early-Miocene Tamar Sands play (A and B sands)
Number of active wells	0
Lease holder	Energean Israel (100%)
Lease participants	Energean Israel (70%, operator), Kerogen (30%)
Data available	3D seismic acquired by Noble in 2009 and geophysical data from the Tanin-1 exploration well
Royalties payable	Per Karish
Tax regime	Per Karish
Hydrocarbons export regime	Per Karish
Other provisions applicable to Tanin	Per Karish

Reserves and resources

Gross 2P Reserves as at 30 June 2020

	Liquids MMbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent MMboe
Tanin	5	921	26	172

D&M has certified gross 2P reserves in Tanin of 921 Bcf (26 Bcm) of gas and approximately 5 MMbbls of liquids.

Field capex plan and outlook

Energean Israel expects to develop the Tanin A, B and C blocks after the Karish fields (Main and North) and after any discovery made in Block 12. The exact date will depend on a number of factors, particularly:

- the quantity of gas sale contracts secured by Energean Israel in 2021 and the growth in gas sales subsequent to this date; and
- the timing and success of exploration activities across the remainder of Energean Israel's leases, in particular Block 12.

Initial Tanin development will consist of two to three wells in the A block tied back via a new manifold and a 40-kilometre multi-phase pipeline system to the Karish FPSO. A full development of the existing Tanin lease discoveries would require up to six development wells.

4 Financial effects of the Acquisition

The Energean Israel accounts are already consolidated into the Group accounts. Revenue and EBITDAX figures included in this Circular are not reflective of the value of Energean Israel given that the assets of Energean Israel are in the pre-production stage of development.

For the six months ended 30 June 2020, the Group had net assets of US$1,184.6 million of which US$266.4 million was attributable to the Minority Interest, while the Energean Israel Group had net assets of US$544.1 million of which US$163.2 million was attributable to the Minority Interest.

For the six months ended 30 June 2020, the Group had net debt of US$861.4 million, while the Energean Israel Group had net debt of US$880.2 million, of which US$264.1 million was attributable to the Minority Interest.

For the six months ended 30 June 2020, the Group had incurred capital expenditure of US$244.3 million, while the Energean Israel Group incurred capital expenditure of US$239.7 million, of which US$71.9 million was attributable to the Minority Interest.

The Directors believe that the Acquisition will significantly increase future EBITDAX and operating cash flow, following first gas from the Karish gas development project expected in December 2021 / 1Q 2022, as a result of the contribution of the Minority Interest. This expected increased cash generation will support the Company's medium-term target to start paying a dividend.

5 Trend Information

5.1 Energean Israel Group

On 21 January 2021, the Company published its trading statement and operational update on recent operations and the Group's trading performance in the 12 months to 31 December 2020, together with guidance for 2021 (the "**Trading Statement and Operational Update**"), which includes certain information applicable to the Energean Israel Group detailed below.

5.1.1 Estimated Production Rates

Gas

Energean Israel's gas sales profile currently achieves 7.4 Bcm/yr on plateau and the company is pursuing a number of opportunities to fill the remaining marketable space in its 8 Bcm/yr FPSO and pipeline to shore.

Production rates above 6.5 Bcm/yr which has now been confirmed, requires the installation of a second riser on the FPSO, which is expected to cost approximately US$50 million.

Production from the first well at the Karish North project is expected to be up to 300 mmscf/d (approximately 3 Bcm/yr) and first production is expected during 2H 2023. Karish North FID has been taken to commercialise c.241 MMboe of 2P reserves (84% gas), with first gas expected in 2H 2023 and generating internal rates of return of approximately 40%.

Liquids

Following performance assessment, D&M estimates that liquids production from Karish Main and Karish North could deliver 28.4 kbopd at peak, and a production plateau averaging approximately 27.8 kbopd over five years.

The initial design capacity of the FPSO accommodates liquids production capacity of approximately 21 kbopd but enables the addition of a second liquids processing train which is expected to increase liquids production capacity to approximately 35 kbopd. Capital expenditure associated with these facilities is estimated to be approximately US$40 million.

The FPSO has storage capacity of up to 800,000 bbls. Storage capacity is not expected to be a restricting factor to production from the offshore Israel fields. It is expected that the increased production rate will be handled through increased frequency offtake with parcel sizes expected to remain in the region between 350,000 bbls and 450,000 bbls.

5.1.2 Exploration Prospects

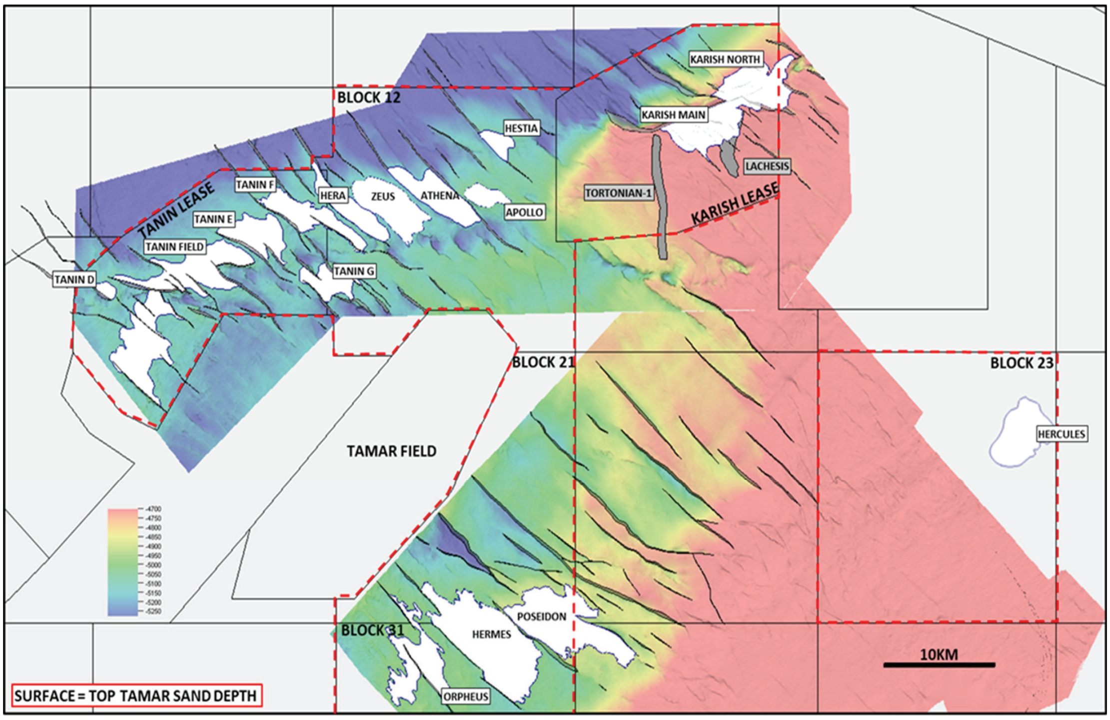
As described above a number of exploration prospects were identified in the Karish and Tanin leases when the final development plan was prepared. The overall field development plan for the Karish and Tanin leases has therefore been developed making allowance for the eventual discovery and tie-back of future discoveries. Subsequently, Energean Israel has acquired exploration rights to Block 12 (between Karish and Tanin) and Blocks 21, 22, 23 and 31 to the immediate south of the location of the Energean Power FPSO, although Block 22 has since been relinquished. In addition, Energean Israel has been awarded exploration rights in Zone D (Blocks 55, 56, 61 and 62), located 45km off the Israeli coast and immediately north of the Tamar and Yam Tethys platforms.

Plans for the next exploration and appraisal campaign, offshore Israel, are underway. Drilling is expected to commence in early 2022 and could see up to five wells, with targets including:

- the exploration and appraisal of further prospective volumes within the Karish lease; and
- Block 12, which is estimated to contain gross prospective recoverable resources of 108 Bcm (3.8 Tcf), with the primary targets having geological chances of success ranging from 63% to 79%. The first well is expected to target the 20 Bcm Athena prospect, for which the primary target (11 Bcm / 0.4 Tcf) has a 70% geological chance of success. Success at Athena would significantly de-risk the remaining 88 Bcm (3.1 Tcf) of prospective resources in the block. Any discovery in that block would be prioritised over the development of Tanin due to i) lower capital expenditure investment (as compared to Tanin) and ii) the absence of any seller royalties on production from the lease.

On average, each well is expected to cost approximately $35 million and the Company expects to tender for a rig for the programme during 1H 2021. The first Karish North development well will be drilled as part of this programme, achieving capital expenditure synergies.

Blocks 12, 21, 23, and 31



In 2017, Energean Israel participated in Israel's First Offshore Bid Round, submitting bids for block 12 (which sits between the Karish and Tanin leases) and four additional adjacent blocks: blocks 21, 22, 23, and 31. The bid round awards were announced on 12 December 2017, with Energean Israel receiving all five of the additional licences for which it had bid. Each licence has an initial validity period of 3 years, extendable by 2 additional 2-year periods, subject to the conditions of the Petroleum Law and the licences (including, for example, adherence to drilling obligations).

The approved Phase 1 work programmes for the blocks included reprocessing existing data and the acquisition of new 3D seismic over parts of leases 23 and 31. All obligations have been completed.

In September 2020, Energean Israel proposed to the Israeli Ministry of Energy to enter into the second exploration phase for licences 12, 21, 23 and 31, whilst licence 22 was relinquished. License terms in respect of each of licences 12, 21, 23, 31 have been extended to October 2021. The work program attached to each of these licences is as follows:

- 1 November 2020 – submission of drilling locations for guidelines for environmental documents;
- 1 August 2021 – submission of environmental documents; and
- 13 October 2021 – submission of a request to extend the license for two additional years including an undertaking to drill.

Energean Israel expects to commence its next exploration programme in Israel in early 2022, which is expected to include wells targeting prospects on these blocks.

Blocks 55, 56, 61 and 62

On 14 July 2019 a Joint Bidding Term Sheet was signed between Energean Israel and Israel Opportunity in connection with the bid; and on 15 July 2019, Energean Israel, in partnership with Israel Opportunity (20%), submitted bids for Zone D (Blocks 55, 56, 61 and 62), located 45km off the Israeli coast and immediately north of the Tamar and Yam Tethys platforms. On 31 July 2019 Energean Israel was awarded all of the additional licences for which it had bid. Each licence has an initial validity period of three years, extendable by an additional three-year period, subject to committing to drill an exploration well during such period and the conditions of the Petroleum Law.

The approved work programme for the Zone D blocks is limited to studies and reprocessing of existing seismic data. No additional seismic data has to be acquired or wells drilled in the first phase.

Energean Israel, as operator, will be obliged to comply with the work program attached to each licence and estimates that the total capital expenditure regarding the work program for the blocks would be minimal in the first three years.

In October 2020, the Zone D Joint Operating Agreements were signed between the parties.

5.2 Energean

Corporate information as regards the Company's operational review as set out in the Trading Statement and Operational Update is described below. Additionally, certain highlights, post balance sheet updates, 2021 outlook items as well as details on operational developments set out in the trading update are detailed below.

5.2.1 Corporate

Revenue and EBITDAX for the period ended 30 June 2020 amounted to US$2.1 million and US$(8.9) million, respectively (compared to US$40.0 million and US$24.0 million, respectively, for the period ended 30 June 2019).

2020 working interest production as adjusted to account for the Edison E&P Acquisition was 48.3 kboed, around the mid-point of guidance of 44.5 – 51.5 kboed. Revenues as adjusted to account for the Edison E&P Acquisition in the 12 months to 31 December 2020 were US$335 million with cost of production of US$194 million and EBITDAX of US$101 million.

2020 capital expenditure (including exploration capital expenditure) as adjusted to account for the Edison E&P Acquisition was US$558 million, of which expenditure on the Karish project was US$408 million. At the start of 2020, capital expenditure (including exploration capital expenditure) as adjusted to account for the Edison E&P Acquisition guidance was US$995 million, of which US$620 million was expected to be spent on the Karish project. The reduced capital expenditure during the year resulted from i) active management of the expenditure programme to preserve capital during a period of low and unstable commodity prices; and ii) deferred capital expenditure on the Karish project mainly due to the COVID-19 related delays.

5.2.2 Highlights

Highlights include:

- 2020 average working interest production as adjusted to account for the Edison E&P Acquisition of approximately 48.3 kboed, around the mid-point of guidance of 44.5 – 51.5 kboed, with revenues as adjusted to account for the Edison E&P Acquisition of US$326 million;
- 2020 average capital expenditure (including exploration expenditure) as adjusted to account for the Edison E&P Acquisition of US$558 million versus January 2020 guidance of US$995 million;
- securing an additional 1.8 Bcm/yr gas sales and purchase agreements ("**GSPAs**") in Israel, taking total gas sales to 7.4 Bcm/yr on plateau, utilising 93% of the Energean Power FPSO capacity;
- the Karish project approximately 87% complete as at 31 December 2020;
- year-on-year carbon emissions intensity reduced by 67%; on track to achieve 80% reduction between 2019 and 2022, significantly ahead of the previously stated 70% target; and
- strong capital discipline and proven access to funds; cash and undrawn facilities were $1.2 billion at 31 December 2020 (adjusted for the new $700 million term loan that was secured post-balance sheet).

5.2.3 Post Balance Sheet

Post balance sheet updates are as follows:

- Karish North FID taken to commercialise c.241 million boe of 2P reserves (84% gas), with first gas expected 2H 2023 and generating an internal rate of return of approximately 40%; and
- NEA/NI project in Egypt FID taken to commercialise 49 million boe of 2P reserves (87% gas), with first gas expected 2H 2022 and generating an internal rate of return of more than 30%.

5.2.4 2021 Outlook

Key 2021 outlook items are as follows:

- 2021 working interest production is expected to be 35.0 – 40.0 kboed, with target cost of production (excluding G&A) of US$14 – 16/boe;
- production is lower than 2020 due to investments in Egypt and Italy being delayed until post-completion to ensure workstreams optimised; and assumes no meaningful contribution from Israel;
- 2021 development and production capital expenditure expected to be $515 – 590 million, with US$350 – US$400 million to be spent on completing the flagship Karish gas development;
- implementation of a cost reduction programme to capture additional savings across the portfolio;
- a proposed refinancing the Senior Credit Facility and the Term Loan during, which the Directors anticipate to take place before the end of 2Q 2021, subject to market conditions. In the context of the refinancing of the Senior Credit Facility the Group is investigating all options, which include debt capital markets, reserve-based-lending and corporate debt facilities. The refinancing will be carried out in line with Energean's medium-term target of a net debt / EBITDAX ratio of below 2.0x;
- defining the future dividend policy, targeting an inaugural dividend payment in 2022;
- increase working interest in the producing Rospo Mare and Vega fields to 100% at zero consideration, adding approximately 12 MMboe of 2P reserves and 2 kboed of production. The Company will not take on any additional decommissioning costs for these assets; and
- the outcome of discussions with the Greek Government regarding a financing package to support continued investment in the Prinos area in Greece expected 1Q 2021.

5.2.5 Israel – Karish Development

As at 31 December 2020, the Karish project was approximately 87% complete, under the TechnipFMC EPCIC Contract.

The Company continues to target sailaway of the Energean Power FPSO hull from Singapore to Israel in late-3Q 2021 with first gas at Karish Main anticipated in December 2021 / 1Q 2022. This timetable requires a full ramp-up in manpower in the Admiralty yard; this has, however, plateaued at around 1,000 workers since December 2020, primarily due to COVID-19 working conditions, and follows an autumn ramp-up that was in line with expectations. The Company and its contractors are in ongoing discussions to achieve the required workforce numbers to deliver first gas at Karish Main around year-end. However, in the case that no further ramp up in the workforce is achieved, first gas could slip by between two and three months, into 1Q 2022. The Directors believe that there is a limited risk to the workforce falling below current levels and remains confident that some mitigating actions can be delivered to optimise the timetable. The Directors believe that these schedule adjustments would likely be the subject of an extension of time claim under force majeure.

During 2020, a further 1.8 Bcm/yr of GSPAs were signed taking the total to 7.4 Bcm/yr at plateau, meaning the 8 Bcm/yr capacity of the Energean Power FPSO will be 93% utilised. All contracts contain provisions for take-or-pay and / or exclusivity, as well as floor pricing, ensuring that the Company's revenue stream in Israel is secured, predictable and largely insulated from downside commodity price risk. The Company is exploring options to fill the remaining 0.6 Bcm/yr spare capacity in the Energean Power FPSO and also additional debottlenecking opportunities that would enable it to produce gas at rates above 8 Bcm/yr.

The D&M Israel Report certified 2P reserves across the Karish Main, Karish North and Tanin fields as at 30 June 2020 of 729 MMboe. Liquids production of the Karish development is now expected to average 28 kbopd over a plateau period of approximately five years with no discernible impact on the scope one and two carbon intensity of the fields, which is expected to remain at below 4.5 kg/boe.

Since year-end 2020, the Company has taken FID on the Karish North development, just 21-months after the announcement of its discovery. Karish North has 2P Reserves of 241 million boe and initial capital expenditure in the project is expected to be approximately $150 million, or $0.6/boe. The Company estimates that the project will deliver an internal rate of return in excess of 40%.

Energean Power FPSO progress and key milestones

The Energean Power FPSO is now 93% complete in the Admiralty yard, Singapore. During 12 months to 31 December 2020, the majority of the main modules and pipe racks were lifted onto the FPSO hull, signalling near-completion of the first major milestones of the hull and topside integration campaign. The flare was lifted in January 2021, marking completion of the lifting campaign.

The Company is also now progressing its project to install a second oil train and second riser on the Energean Power FPSO, which will increase the Energean Power FPSO liquids production capacity to approximately 35 kbopd (from 21 kbopd) and allow maximum gas production of 800 mmscf/d (approximately 8 Bcm/yr from 6.5 Bcm/yr). Both the oil train and the second riser are expected to become operational before the end of 2022.

The completed Energean Power FPSO is expected to sailaway from Singapore to Israel in September 2021 / 4Q 2021 with first gas at the Karish Main field anticipated in December 2021 / 1Q 2022.

Onshore and subsea works

Energean Israel's onshore work is nearing completion with mechanical completion and commissioning of the production rate measurement system at Dor expected during 1Q 2021. Installation of the onshore pipeline is also expected in 1Q and the system is expected to be ready for first gas by end-April 2021.

Subsea activity was approximately 76% complete at 31 December 2021 with the 14-line mooring and deepwater production systems fully installed. The 90-km gas sales pipeline is close to completion with the riser installation campaign expected to commence shortly and complete in 1Q 2021.

5.2.6 Israel – Commercial

At year-end 2020, Energean Israel had signed GSPAs to supply 7.4 Bcm/yr of gas on plateau

All GSPAs contain take-or-pay or exclusivity, and floor pricing provisions, which reduce the risks associated with Energean Israel's cash flow generation profile and largely protect Energean Israel's revenues from global commodity price fluctuations.

5.2.7 Egypt

Egypt delivered 35.4 kboed of production in the 12 months to 31 December 2020, approximately 86% of which was gas, in the middle of market guidance of 34 – 37 kboed. 2021 production is expected to be 26 – 30 kboed, lower than 2020 due to deferral of investments until after completion of the Edison E&P Acquisition.

In January 2021, the Company took FID on the NEA/NI subsea tieback project. The NEA/NI project is viewed as an essential project for the Egyptian portfolio, substantially benefitting the long-term production profile, whilst bringing cost and investment efficiencies and strategic benefits. When Brent prices are above $40/bbl, gas will be sold at $4.6/mmBTU ($4.45/mmBTU at Brent prices below $20/bbl, straight line in between $20/bbl and $40/bbl), which is the highest achieved to date for shallow water gas production, offshore Egypt.

The NEA/NI project is expected to deliver first gas in 2H 2022, will develop 49 million boe of 2P reserves (87% gas), and peak production is expected to be approximately 90 mmscfd plus 1 kbopd of condensates. Total capital expenditure is expected to be approximately $235 million, the majority of which is expected to be incurred in 2022. TechnipFMC has been awarded the EPIC contract to deliver the project.

The NEA/NI drilling campaign is expected to be integrated with a broader Abu Qir drilling campaign, providing synergies on capital expenditure.

At 31 December 2020, net receivables (after provision for bad and doubtful debts) in Egypt were $153.5 million (31 December 2019: $222 million). $94.9 million was received in 4Q 2020, of which $21.7 million was received following close of the transaction ($18.7 million of cash plus $3.0 million offsetting payables versus overdue).

5.2.8 Italy and Southern Europe

The Company's southern European assets (Italy, Greece, Croatia) delivered average working interest production of 11.1 kboed (60% gas) in the 12 months to 31 December 2020, in line with guidance of 9.5 – 12.0 kboed.

During 2021 and beyond, the Company will look to change its electricity supplies for its operated assets to 100% renewable electricity to deliver further reductions in Scope 1 & 2 emissions. This project has already been delivered for the Greek assets.

Italy

Italian production in the 12 months to 31 December 2020 was 9.1 kboed, of which 52% is gas. During 2021, production is expected to be between 7 and 8 kboepd.

The Cassiopea development is ongoing. First gas is expected in 2024 and the field is expected to deliver plateau production rates of approximately 150 mmscfd.

During 2021, the main activities outside of the Cassiopea development are expected to involve drilling of sidetracks in the Calipso field plus a workover in the Monte Urano licence. The Rospo Mare sidetracks remain part of the 2023 and 2024 drilling programmes.

During 2021, the Company is expected to increase, at zero cost, its interests to 100% in the Vega and Rospo Mara producing fields, today 60% and 62%, respectively, following submission of a notice of intention to withdraw by ENI. ENI's relinquishment remains subject to government approvals. If effected, the transfer is expected to increase working interest reserves by approximately 12 million and 2021 production guidance by 2 kboed. The Vega and Rospo Mare licences are key targets of the cost reduction programme that has recently been implemented to capture cost savings across the portfolio, with the goal of improving profitability and cash flows.

Greece

Greek production in the 12 months to 31 December 2020 was 1.8 kbopd versus guidance of 1.5 – 2.0 kbopd. 2021 production is expected to be approximately 1.5 kboed.

The Company's acreage around the Prinos area remains under review with the outcome of discussions with the Greek Government regarding a financing package to support continued investment in the Prinos area now expected in 1Q 2021, and maturation of conversion of Prinos into the first carbon capture and storage project in the Eastern Mediterranean. If the financing package is granted (or an alternative acceptable financing solution is identified), the Company expects to recommence the development of the 44 MMboe Epsilon field. Under a full-development scenario, Epsilon could deliver peak production in excess of 7 kbopd, with a five-year average of 6.5 kbopd.

In October, the Company reached agreement with the Public Power Corporation of Greece to source 100% of electricity for the Prinos area assets from renewable sources to deliver a 100% reduction in Scope 2 carbon emissions at Prinos and an approximately 45% reduction of Scope 1 & 2 emissions.

5.2.9 United Kingdom

Production in the UK North Sea was 1.8 kboed (32% gas) in the 12 months to 31 December 2020, towards the top end of full year guidance of 1 – 2 kboed. During 2021, production is expected to be approximately 0.5 kboed. The year-on-year decrease reflects planned field shutdowns and infrastructure repairs. The Company expects the production level to recover somewhat during 2022.

In early December 2020, the first well in a two-well Glengorm (Energean 25%) appraisal campaign was spudded. Isabella appraisal is expected to commence in 2022.

6 Terms of the Acquisition

The Company (as guarantor), Energean E&P Holdings (the "**Buyer**") and Kerogen (the "**Seller**") entered into the Acquisition Agreement in respect of the Acquisition, pursuant to which the Buyer agreed, on the terms and subject to the conditions of the Acquisition Agreement, to acquire the Minority Interest from the Seller for the Total Consideration.

The Acquisition is subject to relevant regulatory and shareholder approvals.

Completion of the Acquisition is conditional on the satisfaction or waiver, of certain conditions including:

- the approval of the Acquisition by the Israeli Petroleum Commissioner;
- the approval of the Resolutions by the Shareholders;
- if determined to be required by the lenders, the approval of the Acquisition by the lenders under the Energean Israel Facility Agreement or the expiry of a period of 30 calendar days after the lenders are notified of the Acquisition without any response being received; and
- the discharge of a pledge granted by the Seller over the Minority Interest to the security agent in respect of the Energean Israel Facility Agreement in return for the Buyer re-pledging the Minority Interest at completion of the Acquisition.

The Resolutions are not inter-conditional on each other. The Ordinary Resolution may not be waived by the Buyer and the Seller. If approval of the Shareholders of the Special Resolution is not obtained at the General Meeting, the Seller shall be entitled (but not required) to waive the condition that the Special Resolution is duly passed at the General Meeting (in which case the Acquisition may proceed if the other conditions, including the passing of the Ordinary Resolution, have been satisfied or waived).

As at the date of this Circular, the lenders under the Energean Israel Facility Agreement have confirmed that their consent is not required for the Acquisition and the condition requiring such approval has been waived by the Buyer and the Seller. Completion of the Acquisition is subject to a longstop date of 31 March 2021, which may be extended for up to a further 45 days to obtain the approval of the Israeli Petroleum Commissioner if not obtained by that date. The Acquisition Agreement may also be terminated for any material breach of certain fundamental warranties.

The Seller has provided customary warranties to the Buyer, subject to certain limitations.

A summary of the Acquisition Agreement is set out in Part 4 (*Summary of the Acquisition Agreement*) of this document.

7 General Meeting

Completion of the Acquisition is conditional upon, amongst other things, Shareholders' approval being obtained at the General Meeting. The Ordinary Resolution requires the approval of a simple majority of Shareholders or their appointed proxies attending and voting at the General Meeting. The Special Resolution requires the approval of at least three-quarters of the Shareholders or their appointed proxies attending and voting at the General Meeting. Accordingly, you will find set out at the end of this document a notice convening a General Meeting to be held at the registered office of the Company at Accurist House, 44 Baker Street, London, W1U 7AL at 10:00 a.m. on 19 February 2021 at which the Resolutions will be proposed to (i) approve the Acquisition and (ii) issue new shares for cash, which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights.

In order to tackle the ongoing COVID-19 global pandemic, the UK Government has put in place laws restricting the movement of people. These laws include the prevention of public gatherings, unless essential for work purposes, and they prevent non-essential travel. The health and wellbeing of Shareholders, employees, advisers and of the general public is of utmost importance to the Board. The Company is committed to complying with the laws and minimising the unnecessary movement of people at this time. As a result, and in order that Shareholders can comply with the measures currently in place, the General Meeting is required to be a closed meeting, which Shareholders are not permitted to attend and votes can only be cast by proxy, as set out below. Any Shareholder that seeks to attend the General Meeting in person will, regrettably, be prevented from doing so on the above grounds. Two Shareholders in attendance shall constitute a quorum, as set out in the Company's articles of association. The Company shall ensure that a quorum is present and that the two Shareholders will be the only persons in attendance, therefore abiding with the new laws in place and allowing the business contained in the Notice of General Meeting to be conducted.

The Company will continue to monitor the restrictions put in place in response to COVID-19 and, if circumstances change resulting in the lifting of measures preventing the movement of people ahead of the General Meeting, it will consider if it is appropriate to open up the General Meeting for attendance by Shareholders. If this is the case, an update will be given on the Company's website at http://www.energean.com and an update given by way of announcement to the London Stock Exchange.

Shareholders are encouraged to send any questions they would have raised at the General Meeting to IR@energean.com before the date of the General Meeting; and after the General Meeting has concluded the Company will publish responses to those questions on its website at http://www.energean.com.

The Company has received irrevocable undertakings from each of (i) Growthy Holdings Co. Limited and Capital Energy Investments Ltd (being shareholders who are controlled by Mathios Rigas), Oilco Investments Limited and HIL Hydrocarbon Investments Ltd (being shareholders who are controlled by Efstathios Topouzoglou) and Adobelero Holdings Co. Limited (being a shareholder which is controlled by Panos Benos), (ii) each Director who holds shares in the Company and (iii) Third Point Hellenic Recovery Fund LP (who represented approximately 16.31% of the Company's issued share capital as at the Latest Practicable Date), that they would vote in favour of the Resolutions.

8 Action to be Taken

You will find enclosed a Form of Proxy for the General Meeting. You are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible and in any case so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 10:00 a.m. on 17 February 2021. Alternatively, you may wish to register your proxy vote online; to do so, visit www.investorcentre.co.uk/eproxy where details of the procedure are shown. The Shareholder Reference Number, Voting ID, Control Number and PIN shown on the Form of Proxy will be required to complete the procedure. Details of the process of registering online are also set out in the Form of Proxy.

Shareholders are strongly encouraged to ensure that their votes are counted at the General Meeting by appointing the chairman of the General Meeting as their proxy and submitting their completed proxy forms to the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and, in any event, no later than 10:00 a.m. on 17 February 2021. You can also appoint a proxy and indicate your voting instructions online at www.investorcentre.co.uk/eproxy or through CREST. If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

If you hold your Shares in CREST, you may appoint a proxy by completing and transmitting a CREST proxy instruction form so that it is received by Computershare Investor Services PLC (under CREST participant ID 3RA50) by no later than 10:00 a.m. on 17 February 2021. The time of receipt will be taken to be the time from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

9 Further information

Your attention is drawn to the further information contained in Part 3 (*Risk Factors*) to Part 5 (*Additional Information*) of this document. Shareholders should read the whole of this document and not rely solely on information surmised in this letter.

10 Related party transaction

Kerogen, which has a 30% shareholding in Energean Israel, a subsidiary of the Company, is treated as a "substantial shareholder" of the Company for the purposes of the Listing Rules and, as a result, the Acquisition is a "related party transaction" for the purposes of the Listing Rules.

The Board, having been so advised by Morgan Stanley, considers the Acquisition to be fair and reasonable as far as Shareholders are concerned. In providing advice to the Board, Morgan Stanley has taken into account the Board's commercial assessment of the Acquisition.

11 Recommendation

The Board considers the Acquisition to be in the best interests of the Shareholders as a whole.

The Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do so in respect of their own beneficial holdings of 41,559,701 Shares, representing approximately 23.47% of the Company's existing issued ordinary share capital at the Latest Practicable Date.

Yours faithfully

Karen Simon
Chairman

PART 3

RISK FACTORS

In addition to the other information contained in, or incorporated by reference into, this document, the following risk factors should be considered carefully prior to making any decision as to whether or not to vote for the proposed Acquisition. The proposed Acquisition may give rise to certain risks which, if they occur, may have a material adverse effect on the business, financial condition, results of operations and prospects of the Post-Acquisition Group. If any of the following risks were to materialise, the business, financial condition, results of operations and prospects of the Post-Acquisition Group could be materially adversely affected and the value of the Shares could decline and Shareholders could lose all or part of their investment in those Shares.

The Directors consider the following to be the material risk factors related to the Acquisition, material new risk factors to Energean as a result of the Acquisition, or existing material risk factors to Energean which will be affected by the Acquisition. These risks do not purport to be a comprehensive list of all potential risks in relation to the Acquisition and do not include additional risks relating to the Acquisition that are not presently known to the Directors, or which the Directors deem immaterial in the context of the Acquisition. The risks described in this Part 3 are based on information known at the date of this document but may not be the only risks to which the Post-Acquisition Group is or might be exposed. Additional risks and uncertainties, which are currently unknown to the Company or that the Company does not currently consider to be material, may adversely affect the business of the Post-Acquisition Group and could have material adverse effects on the business, financial condition, results of operations and future prospects of the Post-Acquisition Group.

Shareholders should read this document as a whole and not rely solely on the information set out in this section.

MATERIAL RISKS RELATED TO THE ACQUISITION

The completion of the Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions; and if the Acquisition does not complete because any of the conditions is not satisfied (or waived, if applicable), Energean will not realise the perceived benefits of the Acquisition.

The completion of the Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions provided for in the Acquisition Agreement, including the following:

- the approval of the Acquisition by the Israeli Petroleum Commissioner;
- the approval of the Resolutions by the Shareholders;
- if determined to be required by the lenders, the approval of the Acquisition by the lenders under the Energean Israel Facility Agreement or the expiry of a period of 30 calendar days after the lenders are notified of the Acquisition without any response being received; and
- the discharge of a pledge granted by Kerogen over the Minority Interest to the security agent in respect of the Energean Israel Facility Agreement in return for the Buyer re-pledging the Minority Interest at completion of the Acquisition.

The Resolutions are not inter-conditional on each other. The Ordinary Resolution may not be waived by the Buyer and the Seller. Issuance of the Shares which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights will require Shareholder approval (pursuant to the Special Resolution), which will be sought at the General Meeting for Shareholder approval for the Acquisition. If approval of the Shareholders of the Special Resolution is not obtained at the General Meeting, the Seller shall be entitled (but not required) to waive the condition that the Special Resolution must be passed provided that following Completion the Company and Energean E&P must use best endeavours to procure the passing of the Special Resolution as soon as reasonably practicable after Completion and in any event no later than 18 months following Completion. If by 18 months following Completion, approval of the Special Resolution (or any other special resolution which would disapply the statutory pre-emption rights in respect of the Shares to be issued pursuant to the Convertible Loan Notes) has not been obtained, the Convertible Loan Notes will lose their convertibility and become repayable in cash.

As at the date of this Circular, the lenders under the Energean Israel Facility Agreement have confirmed that their consent is not required for the Acquisition and the condition requiring such approval has been waived by the Buyer and the Seller.

There can be no assurance that any or all of the conditions will be satisfied, or that Completion will be achieved by the long stop date (which is 31 March 2021 or, if approval by the Israeli Petroleum Commissioner has not been satisfied by that date, 15 May 2021 (or such later date as the parties may agree in writing)) or at all and certain of the conditions are not capable of waiver. Failure to satisfy or, where appropriate, obtain waiver of any of these conditions may result in the Acquisition not being completed. In addition, satisfying the conditions may take longer, and could cost more, than the Company, the Buyer and the Seller expect.

In particular, lockdowns or other restrictions on normal working arrangements in Israel as a result of the COVID-19 pandemic could cause delays and have a negative impact on the anticipated completion date of the Acquisition. Any delay in completing the Acquisition may adversely affect the benefits that Energean expects to achieve if the Acquisition is completed within the expected timeframe.

As a condition to their clearance of the Acquisition, regulatory authorities may impose requirements on the Group, the Energean Israel Group or, following completion, the Post-Acquisition Group. These requirements may be onerous and could jeopardise or delay completion of the Acquisition or may reduce the anticipated benefits of the Acquisition.

If Completion does not occur, Energean will not realise the anticipated benefits of the Acquisition.

The Deferred Cash Consideration and Additional Deferred Cash Consideration are expected to be funded from optimisation of the Group's capital structure and future cash flows

Energean E&P Holdings has agreed to pay to Kerogen the Deferred Cash Consideration of between US$125 million and US$150 million, the latest payment of which will be thirty days following the Practical Completion Date. Energean E&P Holdings has also agreed to pay to Kerogen the Additional Deferred Cash Consideration of US$30 million.

Energean E&P Holdings intends to fund these deferred payments through future cash flows (which, in respect of the Additional Deferred Cash Consideration, should include revenue generated from production at Karish, Israel (which is expected to commence in December 2021 / 1Q 2022)). Additionally, the Directors expect the Senior Credit Facility to be refinanced before the end of 2Q 2021, subject to market conditions. In the context of the refinancing of the Senior Credit Facility the Group is investigating all options, which include debt capital markets, reserve-based-lending and corporate debt facilities. The refinancing will be carried out in line with Energean's medium-term target of a net debt / EBITDAX ratio of below 2.0x. The extended maturity date of September 2022 of the Senior Credit Facility enables ample time for the Company to fully optimise the capital structure of Energean Israel (following completion of the Acquisition) both pre- and post-first gas from Karish (as applicable) through the proposed refinancing process. There can be no assurance that such refinancing will be successful or that there will be sufficient future cash flows generated to contribute to making such payments, if necessary.

Should the Group choose to pursue financing through the issuance of additional Shares, existing holders of Shares may suffer dilution in their percentage ownership, or the market price of the Shares may be adversely affected. The Company does not currently expect to need to raise new equity to fund the Deferred Cash Consideration or the Additional Deferred Cash Consideration.

MATERIAL NEW RISKS RELATING TO THE POST-ACQUISITION GROUP WHICH RESULT FROM THE ACQUISITION

The Acquisition is being funded from new debt and future cash flows which may reduce the Group's financial flexibility

The Up-Front Cash Consideration will be funded by a drawdown of the Term Loan. The Deferred Cash Consideration and Additional Deferred Cash Consideration are expected to be funded from optimisation of the Group's capital structure both pre- and post-first gas from Karish and future cash flows (as applicable).

Consequently, the Acquisition will increase the overall indebtedness of the Post-Acquisition Group, which will result in increased repayment commitments and borrowing costs. This could limit the Post-Acquisition Group's commercial and financial flexibility, causing the Company to re-prioritise its uses of capital to the potential detriment of its business prospects and the value of its assets. Therefore, depending on the level of the Post-Acquisition Group's borrowings, prevailing interest rates and exchange rate fluctuations, this could result in reduced funds being available to fund future growth, dividend payments and other general corporate purposes, which could have a material adverse impact on the Post-Acquisition Group's results of operations, financial condition and prospects.

The Post-Acquisition Group's operations are subject to the risk of litigation

From time to time, the Group and the Energean Israel Group may be subject to or otherwise impacted by litigation or arbitration arising out of its activities or operations, whether or not a direct party to those matters. Damages claimed, or the potential impact on the Group or the Energean Israel Group of the result under any such proceedings, may be material or may be indeterminate, and the outcome of such litigation or arbitration could materially and adversely affect the reputation, business, results of operations, financial condition and/or prospects of the Group and the Energean Israel Group.

For example, on 6 November 2019, Tsabar Oil & Gas Ltd., Nammax Oil & Gas Ltd. and Med Sea Ltd. (together, the "**Tsabar Group**"), which entities are beneficially controlled by Beny Steinmetz, issued a claim against Energean Israel, Energean E&P Holdings, Energean Oil & Gas S.A., Mathios Rigas and Efstathios Topouzoglou (together, the "**Respondents**"), in respect of what was described in the claim as "Energean's interests" in the project related to the Karish and Tanin gas reservoirs, offshore Israel (the "**Interests**" and the "**Project**", respectively). The Tsabar Group claims, *inter alia*, that the Respondents breached agreements and understandings allegedly reached in respect of the Tsabar Group's commercial stake in the Project, should the Israeli Petroleum Commissioner not approve its participation. The Tsabar Group is seeking a declaratory relief stating that it is entitled to a share of 20%-25% in the Interests or financial compensation estimated at US$146.7 million; or, further, in the alternative, a declaratory relief stating that it is entitled to a share in the Project of at least 10% or to a financial compensation estimated at US$172.6 million. Both at the time of the acquisition of the Karish Tanin interests by Energean Israel and as at the Latest Practicable Date (as acknowledged by the Tsabar Group in its claim), the Israeli Petroleum Commissioner suspended any participation by the Tsabar Group, as controlled by Mr Steinmetz, in the potential acquisition of any interest in Karish-Tanin. On the basis of legal advice obtained to date, the Directors consider that it is more likely than not that the Claim will be dismissed; and the matter will be defended vigorously. The Respondents have appointed a leading law firm in Israel, S. Horowitz & Co, which filed a robust Statement of Defence in the Israeli courts on 21 May 2020. A final court decision on the case may take several years. In the event of the claim being successful, and in the context of the Group's overall operations, cashflows and finances, the financial viability of the Group is unlikely to be affected.

While each of the Group and the Energean Israel Group assesses the merits of each action and will consider defending it accordingly, it may be required to incur significant expenses in defending against litigation or arbitration and there can be no guarantee that a court or tribunal will find in favour of the Group or the Energean Israel Group, as applicable. While the proceedings discussed above have not had a material adverse impact on either the Group's business or the Energean Israel Group's business to date, any adverse publicity, convictions and prosecution in respect of such claims or any similar claims in the future, or any liability that may result from any such similar claims against the Post-Acquisition Group or its employees in the future, could have a material adverse effect on the Post-Acquisition Group's business.

EXISTING MATERIAL RISKS RELATING TO THE GROUP WHICH MAY BE IMPACTED BY THE ACQUISITION

The businesses of the Group and the Energean Israel Group require significant capital expenditure and the future expansion and development of the Post-Acquisition Group's business could require further debt and equity financing.

Energean anticipates that in order to continue to implement its stated strategy it, and, following Completion, the Post-Acquisition Group, will need to make substantial capital investments for its operations, exploration, appraisal, development and/or production plans. In particular, Energean estimates that Energean Israel's planned capital expenditure profile on development projects, including in relation to any development of the Karish assets, in the amount of approximately US$350 million to US$400 million, is scheduled to take place concurrently with the Group's proposed capital expenditure across its other assets of approximately US$195 million to US$240 million in 2021. As a result of the Acquisition, Energean will be required to fund 100% of all future capital expenditure for the Karish project.

Following an original injection of equity by Energean and Kerogen, the development of Karish is funded via project finance at the Energean Israel level pursuant to the Senior Credit Facility and this facility is non-recourse to Energean, plus the Term Loan. The Group's business requires significant capital expenditure.

The Group may require further equity or debt financing beyond the next 12 months to fund future expansion or development plans.

Should the Post-Acquisition Group seek to take on additional borrowings to finance future growth, the Post-Acquisition Group's existing debt obligations could increase the cost of or limit the Post-Acquisition Group's ability to obtain such additional borrowings, which in turn could have a material adverse effect on the Post-Acquisition Group's business, results of operations and financial condition.

Alternatively, the Post-Acquisition Group may in the future seek funds for such business activities or capital expenditure by selling part of its operations and/or by farming down its assets. If the Group and, following Completion, the Post-Acquisition Group is unable to generate or obtain further additional funding (for capital expenditure beyond the next 12 months), it is likely to be limited in its ability to undertake any additional operations, exploration, appraisal, development or appraisal plans.

Each of the Group and the Energean Israel Group has significant exploration and development programmes and there can be no assurance of their success

Exploration and development activities are capital intensive and their successful outcome cannot be assured. Each of the Group and the Energean Israel Group undertakes, and following Completion the Post-Acquisition Group will undertake, exploration and development activities and incurs significant costs with no guarantee that such expenditure will result in the discovery of commercially deliverable oil or natural gas.

The Group's and the Energean Israel Group's oil and natural gas exploration and development may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenue to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs.

The Group's and the Energean Israel Group's long-term future success depends on its ability to find, develop and acquire additional oil and gas reserves that are economically recoverable. Appraisal results for discoveries are uncertain. Appraisal and development activities involving the drilling of wells across a field may be unpredictable and not result in the outcome planned, targeted or predicted, as frequently only by extensive testing can the properties of the entire field be fully understood. Exploration, appraisal and development programmes may be subject to delay as a result of shortages of appropriate equipment and materials or other factors outside of Energean's control. The risk of delays exists in respect of certain development projects in the Group's and Energean Israel's portfolio, such as Karish. In addition, the suppliers and contractors which carry out significant parts of the exploration, appraisal and development work are subject to changing international demands and price fluctuations, so the costs of such work may be higher than expected. As a result of the Acquisition, Energean will be exposed to 100% of the risks associated with the Karish project.

The failure to successfully explore, appraise and develop additional reserves at acceptable costs could have a material adverse effect on the Post-Acquisition Group's business, results of operations, financial condition and/or prospects.

PART 4

SUMMARY OF THE ACQUISITION AGREEMENT

The following is a summary of the principal terms of the Acquisition Agreement. Any capitalised term not expressly defined in Part 4 (*Summary of the Acquisition Agreement*) or Part 7 (*Definitions*) of this document shall have the meaning attributed to it in the Acquisition Agreement.

1 Overview

On 7 December 2020, the Company announced the entry into an agreement with Kerogen granting a 30-day period of exclusivity for the purposes of negotiating the Acquisition.

The Acquisition Agreement consists of a share sale and purchase agreement between Kerogen (as seller), Energean E&P Holdings Limited ("**Buyer**"), a wholly owned subsidiary of Energean (as purchaser), and Energean (the "**Buyer's Guarantor**") for the acquisition of the Minority Interest.

The Acquisition is a "related party transaction" for the purposes of the Listing Rules because Kerogen is a substantial shareholder in Energean Israel due to its 30% shareholding in Energean Israel, a subsidiary of the Company. The Acquisition is also a "class 1 transaction" for the purposes of the Listing Rules because of its size.

2 Acquisition Agreement

The Buyer, the Buyer's Guarantor and Kerogen entered into the Acquisition Agreement on 29 December 2020 in respect of the Acquisition.

2.1 Consideration

The total consideration to be paid by the Buyer for the sale and purchase of Kerogen's entire interest in Energean Israel, which constitutes 30% of the total issued share capital of Energean Israel, is between US$380 million and US$405 million (the "**Total Consideration**"). The Total Consideration includes:

- US$175 million of up-front cash consideration (the "**Up-Front Cash Consideration**").
- Between US$125 million and US$150 million of deferred cash consideration (the "**Deferred Cash Consideration**"), the latest payment of which will be thirty days following the Practical Completion Date. Before the Practical Completion Date, the Company has the option, at its sole discretion, to pay the Deferred Cash Consideration at any point, in accordance with the following schedule:

Early Payment Date	Amount Payable (US$ millions)
On or before 31 March 2021	125.0
On or before 30 April 2021	127.5
On or before 31 May 2021	130.0
On or before 30 June 2021	132.5
On or before 31 July 2021	135.0
On or before 31 August 2021	137.5
On or before 30 September 2021	140.0
On or before 31 October 2021	142.5
On or before 30 November 2021	145.0
On or before 31 December 2021	147.5
After 31 December 2021	150.0

- A further US$30 million of deferred cash consideration, payable on 31 December 2022 (the "**Additional Deferred Cash Consideration**").

- US$50 million of convertible loan notes, to be issued by the Buyer's Guarantor to Kerogen, which have a maturity date of 29 December 2023, a strike price of GBP 9.50 (at an exchange rate of US$1.3486=GBP 1.00) and zero coupon (the "**Convertible Loan Notes**").

If the Deferred Cash Consideration is paid following the Practical Completion Date, the Total Consideration will be US$405 million. If the Buyer elects to pay the Deferred Cash Consideration earlier than 31 December 2021, the Total Consideration could be reduced by up to US$25 million, to US$380 million.

2.2 Conditions to Completion

Completion is conditional on the satisfaction or waiver of the following conditions on or before the Longstop Date:

(a) The approval of Shareholders pursuant to the passing of (i) the Ordinary Resolution and (ii) the Special Resolution;

(b) the discharge of a pledge granted by Kerogen over the Minority Interest to the security agent in respect of the Energean Israel Facility Agreement in return for the Buyer re-pledging the Minority Interest at completion of the Acquisition;

(c) if determined to be required by the lenders, the approval of the Acquisition by the lenders under the Energean Israel Facility Agreement or the expiry of a period of 30 calendar days after the lenders are notified of the Acquisition without any response being received; and

(d) the Israeli Petroleum Commissioner having approved the Acquisition.

The Resolutions are not inter-conditional on each other. The Ordinary Resolution may not be waived by the Buyer and the Seller.

Issuance of the Shares which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights will require Shareholder approval (pursuant to the Special Resolution), which will be sought at the General Meeting for Shareholder approval for the Acquisition. If approval of the Shareholders of the Special Resolution is not obtained at the General Meeting, the Seller shall be entitled (but not required) to waive the condition that the Special Resolution must be passed (in which case the Acquisition may proceed if the other conditions, including the passing of the Ordinary Resolution, have been satisfied or waived) provided that following Completion the Company and Energean E&P must use best endeavours to procure the passing of the Special Resolution as soon as reasonably practicable after Completion and in any event no later than 18 months following Completion. If by 18 months following Completion, approval of the Special Resolution (or any other special resolution which would disapply the statutory pre-emption rights in respect of the Shares to be issued pursuant to the Convertible Loan Notes) has not been obtained, the Convertible Loan Notes will lose their convertibility and become repayable in cash.

As at the date of this Circular, the lenders under the Energean Israel Facility Agreement have confirmed that their consent is not required for the Acquisition and the condition requiring such approval has been waived by the Buyer and the Seller.

The Buyer and the Buyer Guarantor are obliged to use their reasonable endeavours to procure the fulfilment of the conditions precedent and the Seller is obliged to assist and cooperate with the Buyer to secure their fulfilment.

Completion of the Acquisition is subject to a longstop date of 31 March 2021 (the "**Longstop Date**"), which may be extended for up to a further 45 days to obtain the approval of the Israeli Petroleum Commissioner if not obtained by that date. Either the Seller or the Buyer has a right to terminate the Acquisition Agreement if any of the conditions have not been satisfied or waived by the Longstop Date. The Acquisition Agreement may also be terminated for any material breach of certain fundamental warranties provided by the Seller.

2.3 Warranties

The Seller has provided customary warranties to the Buyer (including *inter alia* with respect to incorporation, capacity, and authority, ownership of the Minority Interest and insolvency), subject to certain limitations.

The Seller's liability for a relevant claim made by the Buyer is subject to a number of contractual limitations. The Seller's total liability in respect of all warranty claims is limited to the portion of the Total Consideration actually received by the Seller at the time the relevant claim is made.

3 Governing Law and Dispute Resolution

The Acquisition Agreement is governed by English law. Any dispute arising in respect of the Acquisition Agreement shall be referred to and finally resolved by either: (i) arbitration under the Rules of the London Court of International Arbitration or (ii) by the courts of England.

PART 5

ADDITIONAL INFORMATION

1 Responsibility

The Company and the Directors, whose names are set out in paragraph 3 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 The Company and Registered Office

The Company was incorporated and registered in England and Wales on 8 May 2017 under the Companies Act 2006 as a public company limited by shares with registered number 10758801 with the name of Energean Oil & Gas plc. On 21 May 2020, the Company changed its name to Energean plc.

The registered office of the Company is Accurist House, 44 Baker Street, London W1U 7AL and its telephone number is +44 203 655 7200.

3 Directors

The Directors and their principal functions are as follows:

Directors	Position
Karen Simon	Independent Chairman
Mathios Rigas	Chief Executive Officer
Panos Benos	Chief Financial Officer
Andrew Bartlett	Senior Independent Director
Efstathios Topouzoglou	Non-Executive Director
Robert Peck	Independent Non-Executive Director
Amy Lashinsky	Independent Non-Executive Director
Kimberley Wood	Independent Non-Executive Director
Andreas Persianis	Independent Non-Executive Director

The Company's secretary is Russell Poynter.

4 Directors' Shareholdings and Stock Options

4.1 Shares

As at the Latest Practicable Date, the interests of the Directors in the share capital of the Company were as follows:

Director	Number of Shares
Karen Simon	186,572
Mathios Rigas[(1)]	19,807,000
Panos Benos[(2)]	4,118,999
Andrew Bartlett	5,554
Amy Lashinsky	1,507
Robert Peck	6,755
Efstathios Topouzoglou[(3)]	17,433,314
Kimberley Wood	0
Andreas Persianis	0

Notes:

(1) Number of shares shown represents the aggregate shareholding of Mathios Rigas as an individual and his indirect holdings by virtue of his controlling interest in Growthy Holdings Co. Limited and Capital Energy Investments Ltd, a company controlled by Mathios Rigas.

(2) Number of shares shown represents the aggregate shareholding of Panos Benos as an individual and his indirect holdings by virtue of his controlling interest in Adobelero Holdings Co. Ltd.

(3) Number of shares shown represents the aggregate shareholding of Efstathios Topouzoglou as an individual and his indirect holdings by virtue of his controlling interest in Oilco Investments Limited and HIL Hydrocarbon Investments Ltd, a company controlled by Efstathios Topouzoglou.

4.2 Share Options

An award was granted under the Energean Long Term Incentive Plan to selected senior executives, including the Executive Directors, in July 2018. This award is subject to the performance conditions described below and will vest in July 2021 with a subsequent two-year holding period for any vested shares to July 2023.

As at the Latest Practicable Date, the following options to acquire Shares had been granted and remained outstanding under the Energean Long Term Incentive Plan.

Director	Date of Grant	Maximum number of Shares	Face value	Threshold vesting	Exercise Period
Mathios Rigas	12 July 2018	252,904	£1,350,000	25% of award	30 June 2021
	28 March 2019	177,309	£1,350,000	25% of award	31 March 2022
	26 March 2020	325,615	£1,350,000	25% of award	31 March 2023
Panos Benos	12 July 2018	168,602	£900,000	25% of award	30 June 2021
	28 March 2019	106,385	£810,000	25% of award	31 March 2022
	26 March 2020	217,077	£900,000	25% of award	31 March 2023

5 Directors' Service Contracts

Save as disclosed on page 86 of the Energean Annual Report 2018 and pages 104-107 of the Energean Annual Report 2019 (which are incorporated by reference), there are no existing or proposed service contracts between any Director or proposed director of the Company and the Company and its subsidiary undertakings other than service contracts for Kimberley Wood and Andreas Persianis who were appointed as directors of the Company on 26 July 2020.

6 Key Individuals

There are no individuals deemed by the Company to be key to the operations of Energean Israel (who are not already engaged by the Group).

7 Major Shareholders

As at the Latest Practicable Date, the Company had been notified of the following holdings in the Company's issued ordinary share capital pursuant to DTR 5 (each, a "**Notifiable Interest**"):

Shareholder	Number of shares	Number of voting rights	% of voting rights attached to the issued ordinary share capital
Third Point Hellenic Recovery Fund LP	28,889,566	28,889,566 (direct)	16.31%
Growthy Holdings Co. Limited	18,948,260	18,948,260 (direct)	10.70%
Standard Life Aberdeen plc affiliated investment management entities	15,951,947 (indirect)	15,951,947 (indirect)	9.05%
Oilco Investments Limited	16,016,734	16,016,734 (direct)	9.04%
Clal Insurance Company Limited	12,053,928	283,577 (direct) 11,770,351 (indirect)	6.81%
Pelham Capital Limited	7,353,314	7,353,314 (direct)	4.16%

Save as set out above, the Company is not aware of any other Notifiable Interests.

8 Related Party Transactions

Save as disclosed in the notes to the financial statements of the Group for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 (which are incorporated by reference), the Company has not entered into any related party transaction during the period commencing 1 January 2017 and up to the date of this Circular, save for Energean Israel's agreement to purchase a field support vessel to support operations on the Karish field from Prime Marine Energy Inc., a related party (for the purposes of 11.1.4R of the FCA's Listing Rules), for US$33.25 million, as announced by the Company on 2 October 2020.

9 Material Contracts

9.1 The Group

9.1.1 The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document:

(a) Acquisition Agreement

Details of the Acquisition Agreement are set out in Part 4 (*Summary of the Acquisition Agreement*) of this document.

(b) Edison E&P Acquisition Agreement

On 4 July 2019, the Company (as guarantor), Energean Capital (the buyer) and Edison (the seller) entered into the Edison E&P Acquisition Agreement in respect of the Edison E&P Acquisition, pursuant to which Energean Capital agreed, on the terms and subject to the conditions of the Edison E&P Acquisition Agreement, to acquire Edison E&P from Edison for US$750 million in cash, to be adjusted for working capital. In addition, Energean Capital agreed to pay a further US$100 million in cash following first gas production at Cassiopea, Italy (expected 2024) (which may be adjusted at Edison's election if Energean Capital disposes of any part of its interest in Cassiopea prior to 2022). The Company also agreed to pay Edison an 8% royalty on profit production resulting from any discoveries made by exploration wells drilled in the North Thekah Offshore and North East Hap'y Blocks in Q4 2019 / Q1 2020. However, the exploration wells in the North Thekah Offshore and North East Hap'y Blocks, offshore Egypt, were not commercially viable and so the proposed royalty agreements with Edison will not come into effect.

In December 2019, in response to correspondence from the Algerian authorities that indicated some uncertainty about their willingness to provide consent to the transfer of Edison E&P's interests in Algeria, the Company and Edison agreed in principle to amend the Edison E&P Acquisition Agreement under which the Algerian assets would be removed from the Edison E&P Acquisition perimeter. On 2 April 2020, an amendment to the Edison E&P Acquisition Agreement was executed, pursuant to which the Algerian assets would either be transferred by Edison International S.p.A. to a subsidiary of Edison or otherwise excluded by means of an Italian demerger of Edison International S.p.A. The Company and Edison agreed that Edison should pay consideration of US$100 million, based on an economic reference date of the Edison E&P Acquisition of 1 January 2020, subject to working capital adjustments, for the transfer of the Algerian assets. The Company retained the economic reward attributable to the Algerian assets for the period to 31 December 2019, amounting to US$55 million which increased the effective consideration for the Algerian assets at the economic reference date of the Edison E&P Acquisition to US$155 million.

Following the termination of the agreement for the proposed sale of the North Sea Assets to Neptune Energy, on 28 June 2020, an amendment to the Edison E&P Acquisition Agreement was executed, pursuant to which Edison Norge SA was to be transferred to Edison. The enterprise value of Edison Norge SA at the economic reference date of the transfer of Edison Norge SA of 31 December 2019 was determined as US$299 million. Edison Norge SA recorded a net cash outflow of US$99 million during 2019. The equivalent enterprise value as at 1 January 2019 (the economic reference date for the Edison E&P Acquisition), and therefore the effective consideration for Edison Norge SA, was US$200 million.

On 28 June 2020, pursuant to the amendment to the Edison E&P Acquisition Agreement, Edison and the Company agreed to amend the terms of the contingent consideration payable following first gas production from the Cassiopea development, offshore Italy, so that the amount of the contingent consideration varies from between nil and US$100 million, depending upon the average of the one and two year Italian PSV Natural Gas Futures price for the calendar years immediately following the date of first gas. No payment will be due if the arithmetic average of the year one (i.e., the first calendar year after the date of first gas production) and year two (i.e., the second calendar year after the date of first gas production) Italian PSV Natural Gas Futures prices is less than €10/Mwh (equivalent to approximately US$3.4/mcf) when first gas production is delivered from the field. US$100 million is payable if that average price exceeds €20/Mwh (equivalent to approximately US$6.8/mcf).

Following execution of a series of amendments in 2020, the gross initial consideration for the Edison E&P Acquisition was reduced by US$466 million to US$284 million. This US$466 million reduction to the consideration includes:

- US$155 million reduction in relation to the exclusion of the Algerian assets; and
- US$200 million reduction in relation to the exclusion of Edison Norge SA; and
- US$111 million of additional reductions agreed in relation to changes in the macro environment since 4 July 2019 and other business adjustments.

The revised US$284 million initial consideration was adjusted for:

- a net reduction of US$17 million, which relates to the net position on provisions and other adjustments at the economic reference date of the Edison E&P Acquisition (1 January 2019) that were provided for under the Edison E&P Acquisition Agreement; and
- the performance of the assets to be acquired between the economic reference date of the Edison E&P Acquisition (1 January 2019) and the date of completion of the Edison E&P Acquisition (17 December 2020).

The Edison E&P Acquisition was subject to relevant regulatory and shareholder approvals. As the Edison E&P Acquisition constituted a reverse takeover for the purposes of the Listing Rules, the Company was required to seek re-admission of its Shares to the Official List upon completion of the Edison E&P Acquisition, which occurred on 18 December 2020.

Edison provided customary warranties to Energean Capital, subject to certain limitations, plus indemnities to cover specific identified risks including (i) costs and liabilities arising from closure of the Iranian branch of Edison International S.p.A., (ii) certain environmental claims in relation to operations in Italy and (iii) any loss incurred from inclusion by the Office of Foreign Assets Control of the US Treasury Department on the Specifically Designated and Blocked Persons list of PB Tankers and FSO Alba Marina and the resolution of these sanctions and (iv) some proceedings in Alberta Canada regarding a master agreement relating to Falklands seismic data.

Edison also provided customary interim covenants on the conduct of business of Edison E&P prior to the completion of the Edison E&P Acquisition.

The Edison E&P Acquisition, exclusive of the Algerian assets and Edison Norge SA, completed on 17 December 2020 for a net consideration (net of cash acquired) of US$203 million.

(c) Senior Credit Facility for the Karish-Tanin Development

On 2 March 2018, Energean Israel entered into a senior credit facility (whereby Energean Israel Finance S.à r.l. is the immediate borrower with the loan proceeds to be on-lent to Energean Israel), pursuant to a US$1.450 billion senior facility agreement (governed by English law with jurisdiction of the English courts) underwritten by a club of Israeli and international banks (with Bank Hapoalim B.M, Morgan Stanley Senior Funding, Inc., Natixis and Société Générale, London Branch, as mandated lead arrangers) (the "**Senior Credit Facility**") for the purposes of, amongst other things, financing the development of the Karish field, paying debt service (other than principal) and paying deferred payments due from Energean Israel to the Delek Sellers (Delek Drilling Limited Partnership and Avner Oil Exploration Limited Partnership) pursuant to the terms of the sale and purchase agreement entered into on 16 August 2016 and made between the Delek Sellers and Energean Israel. The tenor of the Senior Credit Facility is 3.75 years with a single bullet payment on the final maturity date. Interest periods are three months with the applicable margin being LIBOR plus the following margin ratchet—(a) Months 1-12: 3.75% per annum; (b) Months 13-24: 4% bps per annum; (c) Months 25-36: 4.25% bps per annum; and (d) Months 37-45: 4.75% bps per annum. Energean Israel shall pay a commitment fee of 30% on the applicable margin on available unused commitments accruing from the signing date and paid quarterly in arrears.

Promptly following:

(i) a material update event ("**Material Update Event**"), being an event or circumstance which:

  (A) results in a material difference with respect to the Karish and Tanin reservoir structures or properties on the basis of the information obtained from drilling operations which was not known at the time of the previous reserves report;

  (B) results in the technical banks (acting reasonably) determining that a reserves report, if it were to be prepared, is likely to include data, analyses or other information which demonstrates a material deterioration from that contained in the latest reserves report in one or more material respects;

  (C) results in a material adverse effect on the reserves recoverable; and/or

  (D) has or is reasonably likely to have a material adverse effect on the ability of Energean Israel to achieve practical completion of the project by 30 June 2022; or

(ii) a project document event ("**Project Document Event**"), being an event or circumstance in relation to a GSPA which results in:

  (A) termination (other than a termination pursuant to the terms of the relevant GSPA following the discharge of all obligations thereunder);

  (B) suspension (other than as a result of force majeure);

  (C) expiry (other than expiry pursuant to the terms of the relevant GSPA);

  (D) revocation or repudiation of (or evidence in writing of an intention to repudiate or revoke);

  (E) rescission of (or written intention to rescind);

  (F) it becoming unlawful for a party to a GSPA to comply with any of its material obligations; or

(G) the rendering of a GSPA as invalid of unenforceable by any applicable law,

Energean Israel shall deliver an update (taking into account the relevant Material Update Event or Project Document Event) to the calculation of, in relation to any relevant period, the ratio of available cashflow to the aggregate amount of the principal and interest forecast to be payable in such period under any contemplated refinancing (together with any fees, costs and expense relating to such refinancing) ("**Projected DSCR**").

The calculation should demonstrate that it would be possible to raise a refinancing which will demonstrate a Projected DSCR for each six month calculation period over the life of such contemplated refinancing that is no less than 1.5:1 or 1.2:1 (depending on the revenues used to calculate available cashflow, which are to be determined in accordance with the lenders' banking case and pursuant to the terms of the Senior Credit Facility).

The Senior Credit Facility was amended and restated on 13 February 2019 in order to, among other things, amend the timing of delivery of certain conditions precedent and to include certain additional elements within the scope of security permitted under the finance documents. The conditions precedent to first utilisation under the Senior Credit Facility were satisfied on 7 March 2019 (including the entry into, and perfection of, the required security arrangements). As at 31 January 2021, Energean Israel Finance S.à r.l. has utilised a total of US$1.27 billion (made up of a drawdown of US$350 million in March 2019, a drawdown of US$160 million in July 2019, a drawdown of US$150 million in September 2019, a drawdown of US$170 million in December 2019, a drawdown of US$50 million in March 2020, a drawdown of US$150 million in June 2020, a drawdown of US$120 million in July 2020 and a drawdown of US$118 million in January 2021).

In March 2020, Energean Israel Finance S.à r.l. finalised a waiver and consent process by which it increased the Senior Credit Facility amount from US$1.275 billion to US$1.450 billion and made all necessary consequential amendments to the Senior Credit Facility and other finance documents.

On 13 January 2021, the Company agreed with the existing lenders of the Senior Credit Facility to extend the maturity date by nine months, from December 2021 to September 2022.

The lenders benefit from a comprehensive security package over the assets of Energean Israel (and Energean Israel Finance S.à r.l.) which includes the following: (a) Energean E&P Holdings and Kerogen (each an "**EISL Shareholder**", and together, the "**EISL Shareholders**") pledge their shares in Energean Israel and assign their rights under shareholder loans; (b) Energean Israel has entered into an Israeli law pledge agreement which creates a fixed charge over all its assets located in Israel including the Karish and Tanin leases and gas sale and purchase agreements; (c) an English law security agreement in respect of Energean Israel's interests in the English law governed project documents and insurances and bank accounts located in London; and (d) an all-asset security agreement governed by Cyprus law creating security over Energean Israel's assets located in Cyprus. In addition, direct agreements have been entered into in respect of certain of the project documents, including the TechnipFMC EPCIC Contract and the operations and maintenance agreements with Wood Group UK Limited. There are no EISL Shareholder or sponsor guarantees, debt service undertakings or cost overrun support (save for a capped contingent equity support payment of US$20 million from Energean E&P Holdings and a further up to US$125 million contingent equity support payment from Energean E&P Holdings to cover certain deferred payments under the TechnipFMC EPCIC Contract that would only be payable by Energean E&P Holdings if the acceptable credit rated bank issuing a letter of credit covering such amount fails to pay out that amount): construction risk is taken by the banks, relying primarily on obligations pursuant to the Technic EPCIC Contract.

Energean Israel is required to mandatorily prepay the Senior Credit Facility in the following circumstances: (a) following the occurrence of an illegality event on customary terms; (b) following a change of control in Energean Israel, defined as Energean E&P Holdings ceasing to own at least 25%, or the current shareholders of Energean Israel ceasing to own at least 51% of the voting shares in Energean Israel; (c) following a change of control in Energean E&P Holdings; (d) following receipt of insurance proceeds above an agreed threshold (and subject to certain exceptions); and (e) following the first drawdown date of any refinancing of the Senior Credit Facility (a "**Take-out Financing**"). As the Senior Credit Facility is structured to enable a capital markets refinancing, on the last day of each interest period on which cashflows become positive (the "**Positive Cashflow Date**"), 100% of the excess cash available in the proceeds account shall be applied to a refinancing reserve account secured in favour of the lenders. If a Take-out Financing is not in place at the final maturity date, all amounts standing to the credit of the refinancing reserve account shall be applied in discharge of amounts outstanding under the Senior Credit Facility. The Senior Credit Facility contains representations, covenants and events of default substantially consistent with other recent similar financings in the region; no distributions are permitted prior to the final maturity date.

(d) Term Loan

On 13 January 2021, Energean E&P Holdings (as borrower) and the Company (as guarantor) entered into the Term Loan with J.P. Morgan AG and Morgan Stanley Senior Funding, Inc. (as lenders). The Term Loan comprises a single senior secured term loan facility of up to US$700 million, which may be drawn by way of loan for the purposes of, amongst other things, financing the acquisition of the Minority Interest.

The security arrangements under the Term Loan consist of a first priority pledge over the shares in Energean E&P Holdings which is granted by the Company.

The Company is a guarantor under the Term Loan. Pursuant to the terms of the Term Loan, the Company irrevocably and unconditionally guarantees to each finance party, amongst other things, punctual payment of the payment obligations of each obligor under the Term Loan and undertakes that whenever another obligor does not pay any amount when due, it shall pay such amount as if it was the principal obligor.

The Term Loan is drafted on the basis of a customary corporate-style term loan facility agreement and has a tenor of 18 months from the date of the Term Loan.

Energean E&P Holdings shall pay a commitment fee calculated at the rate equal to 30% of the applicable margin per annum on each lender's available commitment for the period commencing on the closing date and ending on the last day of the availability period.

The interest rate is LIBOR plus margin (which is 5.75% and which steps up by 0.25% every three months). Each interest period shall be three months.

The Term Loan contains prepayment and cancellation provisions customary for a facility of this type, including but not limited to, illegality, voluntary prepayment and a mandatory prepayment for a change of control.

The Term Loan imposes a number of affirmative and negative covenants. Covenants include, but are not limited to, negative pledge on all assets including share capital, compliance with laws, restrictions on additional indebtedness, carrying out transactions on arm's length terms, no merger, no change in nature of business, preservation of assets, maintenance of insurances, adherence with anti-corruption laws and sanctions, maintenance of necessary approvals/ authorisations, and restrictions on acquisitions and disposals.

There are also customary information covenants including, but not limited to, provision of financial statements, provision of details of any environmental claims, and provision of compliance certificates.

The primary uses of the Term Loan are to fund the Up-Front Cash Consideration and accelerate the development of Karish North, enabling the capital expenditure on the project to be undertaken in advance of first gas from Karish Main, which is expected in December 2021 / 1Q 2022.

Additional uses of the Term Loan include:

- funding approximately US$90 million of capital expenditure required to install the second oil train and second riser on the Energean Power FPSO, to enable de-bottle-necking of the Energean Power FPSO above 6.5 Bcm and 21 kbopd per year, and expected to become operational before the end of 2022;
- enabling Energean Israel to recommence drilling on its offshore Israel exploration and appraisal programme in early 2022, with up to five wells; and

- whilst total pre-production capex guidance for the Karish Main project remains at US$1.7 billion plus the US$140 million of deferred payments to TechnipFMC, the balance of the Term Loan will provide further financial flexibility for Energean Israel.

The Term Loan will only be drawn to the extent necessitated and drawn amounts will attract a margin of 5.75%, which steps up by 0.25% every three months. The Term Loan has been sized to cover the cost of associated fees and interest. The Company maintains its target to retain its medium-term net debt / EBITDAX ratio below 2.0x.

(e) Egypt RBL

On 20 June 2020, Energean Capital Limited and Energean Egypt Limited (as borrowers) signed a reserve based facility with a group of lending banks (the "**Egypt RBL**") in order to fund a portion of the cash consideration to be paid to Edison S.p.A for the Edison E&P Acquisition, to fund transaction costs and for general corporate purposes.

The Egypt RBL comprises a single senior secured revolving reserve-based credit facility of up to US$280 million (the "**Facility Limit**"), which may be drawn by way of loans or letters of credit. The Facility Limit may be increased by up to US$175 million (for a total Facility Limit of up to US$455 million) subject to certain conditions contained in the accordion provisions in the Egypt RBL.

In connection with the Egypt RBL, Energean Med Limited ("**EML**") (as borrower) entered into a standalone bilateral letter of credit facility with ING Bank N.V. (the "**LC Facility**"). The LC Facility is an up to GBP80 million facility provided for the purpose of issuing letters of credit for United Kingdom decommissioning obligations and obligations under the United Kingdom licenses and does not impact upon the availability of the Egypt RBL. Share security is granted over EML in favour of ING Bank N.V. EML is to pay an annual commission of 2% on issued LCs. The LC Facility imposes limited affirmative and negative covenants on EML. Covenants include, among other things, negative pledge on all assets, compliance with laws and *pari passu* ranking of claims. There are also customary information covenants including, but not limited to, provision of EML's financial statements and an obligation to notify of any default. The Company agreed to grant a parent company guarantee in favour of ING Bank N.V. under the LC Facility.

The security arrangements under the Egypt RBL are customary for a facility of this type and include, but are not limited to, first-priority charges or pledges over the shares of the relevant entities, first ranking security/assignments over the relevant entities' rights in material project documents, first ranking charges over proceeds accounts and other project accounts, first ranking security interests over (i) insurances, (ii) hedging contracts, (iii) intra-group loans and (iv) all other material contracts, first ranking security interests over any relevant management services agreements, floating charges over all assets of the relevant entities and a security assignment over the sale and purchase agreement in respect of the Edison E&P Acquisition.

The Company also agreed to grant a parent company guarantee in favour of the lenders under the Egypt RBL (the "**PCG**"). Pursuant to the terms of the PCG, the Company irrevocably and unconditionally guarantees to each finance party, amongst other things, punctual payment of the payment obligations of each obligor under the Egypt RBL and undertakes that whenever another obligor does not pay any amount when due, it shall pay such amount as if it was the principal obligor. The PCG will terminate on the date on which all present and future moneys, debts and liabilities due from, owing from or incurred by an obligor under or pursuant to the Egypt RBL have been fully, unconditionally and irrevocably paid or discharged and all commitments of the finance parties under the Egypt RBL have expired or been cancelled.

The Egypt RBL is drafted on the basis of a customary reducing borrowing base facility arrangement whereby the maximum amount that can be drawn or outstanding on any date shall be the lesser of the total commitments (being US$280 million) and the borrowing base amount. The borrowing base amount is calculated by reference to a banking case derived from an agreed financial model prepared by the joint technical banks prior to each semi-annual calculation date. The borrowing base amount was initially set out in the banking case and, in relation to each calculation period (each consecutive periods of six months), is the lesser of (i) the field life net present value divided by 1.45 and (ii) the loan life net present value divided by 1.25. The borrowing base amount is to be approved by the lenders on each calculation date.

The Egypt RBL has a tenor of six years from the closing date, when all conditions precedent of the Egypt RBL have been satisfied, and matures on the earlier of (i) the date on which aggregate remaining reserves for the borrowing base assets are projected to be less than 25% of the initial approved reserves and (ii) the date falling six years from the closing date.

On and from the first utilisation date, Energean Capital Limited shall pay commitment fees as follows:

a) in years 1 and 2, 0.4% per annum, in years 3 and 4, 0.425% per annum and in years 5 and 6, 0.475% per annum on the available unused and uncancelled aggregate commitments under the Egypt RBL; and

b) in years 1 and 2, 1.6% per annum, in years 3 and 4, 1.7% per annum and in years 5 and 6, 1.8% per annum on the unavailable (i.e., the amount by which the aggregate commitments under the Egypt RBL exceeds the borrowing base amount) unused and uncancelled amount of the aggregate commitments under the Egypt RBL.

The interest rate is LIBOR plus a margin of 4.75% per annum in the first, second and third years after closing and 5.75% thereafter. Interest periods are either one, three or six months or any other period agreed by the facility agent under the Egypt RBL.

The Egypt RBL contains prepayment and cancellation provisions customary for a facility of this type such as illegality, voluntary prepayment and a mandatory prepayment for a change of control.

The Egypt RBL imposes a number of affirmative and negative covenants. Covenants include, among other things, negative pledge on all assets including share capital, compliance with laws, restrictions on additional indebtedness, carrying out transactions on arm's length terms, no merger, no change in nature of business, preservation of assets, maintenance of insurances, compliance with laws on financial assistance, adherence with anti-corruption laws and sanctions, maintenance of necessary approvals/authorisations, filings and registrations, performance of all obligations under major project documents and restrictions on acquisitions and disposals.

There are also customary information covenants including, but not limited to, provision of financial statements, provision of details of any disputes, provision of annual insurance certificates and annual reserve reports and provision of compliance certificates.

The financial covenants under the Egypt RBL include, but are not limited to, (i) net debt to EBITDAX ratio of 3.5x which is tested every six months on the last twelve month period, (ii) EBITDAX to finance charges for the last twelve month period ending on that date is greater than 2:1 and (iii) a forward looking debt service coverage ratio ("**DSCR**") of 1.2:1 or more for each calculation period until the final maturity date. The DSCR shall be tested on the basis of the cash flow projections used to determine the borrowing base amount. The first test date of the net debt to EBITDAX and EBITDAX to finance charges is 30 June 2021.

Subject to terms therein, the Egypt RBL permits equity contributions or subordinated shareholder loans to cure non-compliance with such ratios. The Egypt RBL also imposes a recurring liquidity test – total corporate uses must not exceed total corporate sources in the next twenty-four month period.

(f) EISL Shareholders' Agreement

On 13 June 2017 Energean E&P Holdings and Energean Israel entered into the EISL Shareholders' Agreement with Kerogen, Growthy Holdings, Oilco Investments Limited and Adobelero Holdings Co. Ltd which was subsequently amended and restated on 29 March 2018. The agreement contains provisions on various matters relating to Energean Israel's activities, including its management, accounting, shareholder information rights, legal compliance, and rules regarding meetings of the board of directors and shareholders, and limits Energean Israel's business to the operation of the developing and commercialising the Karish and Tanin leases.

The agreement contains provisions for the appointment and removal of Energean Israel directors, where the board shall comprise up to eight directors. Each shareholder holding at least 10.0% of the Energean Israel A shares (each 10.0% holding a "**Relevant Shareholding**") may appoint one director per Relevant Shareholding up to a maximum of three directors for Kerogen and four for

Energean E&P Holdings. The board's initial chairman was appointed by Kerogen, with subsequent chairmen to be selected by the Energean Israel board. The directors appointed by Energean E&P Holdings are Mathios Rigas, Efstathios Topouzoglou and Panos Benos.

Energean Israel is required to establish and maintain a joint technical and operating committee to consider and provide input to the board on technical and operational matters. Each shareholder may appoint to this committee one member per Relevant Shareholding, up to a maximum of three members for Kerogen and four for Energean E&P Holdings.

The chief executive officer and chief financial officer (together "**executive management**" or "**executive managers**") are responsible for day to day management of Energean Israel, subject to certain consent requirements described below. The agreement provides that Mathios Rigas will serve as chief executive officer and Panos Benos as chief financial officer. The board of directors may appoint and remove executive management.

Consent from Kerogen is required on a number of matters, including, among others, adoption or amendment of any annual work program and budget; material amendment or deviation from a strategic plan; certain capital expenditure; entry into an FID or definitive field development plan in respect of the Israeli assets or any future upstream assets; changes to capital structure; the issue or variation of any securities or rights; certain acquisitions, disposals, mergers, joint ventures, and any initial public offering; changes to agreements governing the Israeli assets; material contracts; related party transactions; and distributions.

The agreement limits share disposals to: (i) a member of the transferor's Shareholder Group, (ii) parties not restricted from holding shares under the agreement for legal compliance or other reasons, or (iii) to other parties with Kerogen's consent, provided that Energean E&P Holdings cannot hold less than 25% of the A shares other than with the consent of Kerogen.

Subject to government approvals and other terms in the agreement, so long as it holds at least one Relevant Shareholding, Kerogen may sell all of its Energean Israel shares to Energean E&P Holdings in exchange for a non-operating, participating interest in the Israeli Assets equivalent to the equity proportion of the A shares held by Kerogen and its affiliates. In such event, the parties shall enter into relevant assignment documents and a joint operating agreement.

The agreement provides for various warranties among the parties regarding, among other matters, corporate status, authority, solvency, and legal compliance, and indemnities regarding Israeli tax liabilities.

In the event that a shareholder violates certain laws, transfers any of its shares to or becomes or becomes controlled by a restricted transferee, suffers an insolvency event, fails to make a compulsory share transfer or, in the case of Kerogen or fails to comply with its funding obligations under the subscription agreement dated 28 December 2017, based on commercial terms agreed in October 2017, between Energean E&P Holdings, Energean Israel, the Founders and Kerogen (each event a "**termination event**") it shall give notice of such fact to the other parties. So long as a termination event is continuing, directors nominated by such shareholder will not be entitled to attend or vote at an meeting of the board of directors or shareholders; such shareholder's approval will not be required for any matter requiring the approval of the board of directors or shareholders; if such shareholder is Kerogen, its consent will not be required for certain matters. Subject to remedy provisions, following a termination event, the affected shareholder may sell its shares to a third party within a limited timeframe, subject to terms set out in the agreement. If the affected shareholder fails to do so, the other shareholders will have an option to purchase any securities held by the affected shareholder at a specified fraction of the fair value of the shares as set out in the agreement.

The agreement provides for termination upon winding up of Energean Israel, the acquisition of all the shares by one person, agreement of the parties, occurrence of an initial public offering of Energean Israel or, with respect to each party, when it ceases to hold any shares. Accordingly, the EISL Shareholders' Agreement will be terminated upon the completion of the Acquisition.

(g) TechnipFMC EPCIC Contract

Energean Israel has entered into lump-sum turnkey engineering, procurement, construction, installation and commissioning contracts with Technip UK Limited, Technip France SA and the Israeli branch of Technip Ships One Limited (together, "**TechnipFMC**") in respect of the development of the Karish field, effective 2 March 2018 (together, the "**TechnipFMC EPCIC Contract**").

The TechnipFMC EPCIC Contract provides for typical EPCIC contractor warranties including undertaking to correct or remedy any works that do not comply with such warranties, subject to an agreed limit of liability.

TechnipFMC bears full risk for site conditions and all design risk under the TechnipFMC EPCIC Contract, subject to exceptions for certain adjustments relating to geotechnical and geophysical conditions. TechnipFMC shall be responsible for transportation of all plant and equipment to the worksite (other than certain equipment being supplied but not installed by TechnipFMC under the TechnipFMC EPCIC Contract which will be delivered to Energean Israel at the manufacturing site for such equipment) and securing relevant permits, approvals and licences, except those which Energean Israel is required to obtain under the contract. TechnipFMC shall be responsible for marine operations, including, *inter alia*, providing all required vessels and inspecting shipyards where the FPSO is constructed. Subject to monitoring by Energean Israel, TechnipFMC shall develop and implement quality assurance and control programs, carry out tests and inspections and rectify non-conformance at its own cost. The contract specifies a number of agreed milestones in the development of the project and includes an agreed milestone schedule. Completion of the project is scheduled to occur no later than 31 March 2021. TechnipFMC undertakes to remedy any defects in the work noticed within 21 months of completion, to be extended up to 33 months for defects in modifications and repairs.

Pursuant to the TechnipFMC EPCIC Contract, Energean Israel has agreed to pay TechnipFMC approximately US$1.36 billion (multi-currency), with an option to hedge all non-US Dollar amounts in order to give a fixed total US Dollar amount, for delivery of the project, subject to agreed variations and adjustment only for amounts due and payable to or from TechnipFMC as specified in the TechnipFMC EPCIC Contract. The contract price will include all charges and provisions necessary for total completion of the works and all taxes other than VAT in Israel. The contract price is payable in accordance with defined milestones, subject to satisfaction of Energean Israel. Energean Israel is entitled to set off amounts owed to TechnipFMC against amounts due from TechnipFMC (including any liquidated damages), and to withhold payment for defective work and disputed amounts in any invoice. Interest is payable in respect of late payments. The TechnipFMC EPCIC Contract also contains a profit sharing arrangement above a certain threshold.

The TechnipFMC EPCIC Contract provides for daily liquidated damages for delays of more than 22 days from the Scheduled Practical Completion Date of 31 March 2021 (as may be extended by, for example, force majeure delays), such liquidated damages increasing at certain intervals, plateauing for delay beyond the 91st day following the target completion date. The TechnipFMC EPCIC Contract gives TechnipFMC the option of paying performance liquidated damages up to a sub-cap, in the event of certain limited shortfalls in performance at completion against warranted performance levels. TechnipFMC's total liability for delay liquidated damages will not exceed a sub-cap; and the aggregate of delay and performance liquidated damages shall not exceed an overall cap based on the contract price. Save as provided in the event of termination events set out in the agreement, such liquidated damages will be Energean Israel's sole remedy in respect of delays or performance shortfalls respectively.

TechnipFMC shall provide a performance bond equal to 10% of the contract price for up to six months beyond the completion date, reducing thereafter to 5% until no earlier than the end of the defects liability period. The TechnipFMC EPCIC Contract contains typical mutual indemnities for a contract of this kind, with Energean Israel indemnifying TechnipFMC for liability in respect of loss or damage to any well or geological formation or arising from pollution and related measures. Energean is responsible for the primary project insurance, namely the construction all risk insurance ("**CAR**"), while TechnipFMC is responsible for other insurances, including, *inter alia*, employers' liability insurance.

The total cumulative liability of TechnipFMC to Energean Israel under the TechnipFMC EPCIC Contract shall not exceed a cap based on the contract price, subject to exceptions. Neither Energean Israel nor TechnipFMC will be liable to the other for consequential damages. Energean Israel shall have the right to suspend the work or any part thereof in the event of TechnipFMC's default, if necessary for safety or proper project execution or at its convenience, subject to a variation procedure set out in the TechnipFMC EPCIC Contract where the suspension does not arise out of TechnipFMC's fault. Energean shall have the right to terminate for cause or for its convenience. TechnipFMC may not assign or subcontract the TechnipFMC EPCIC Contract without prior written consent of Energean Israel. TechnipFMC shall have the right to suspend or terminate for non-payment of undisputed amounts above a threshold amount.

The TechnipFMC EPCIC Contract also contains provisions typical for a contract of this kind regarding variation, intellectual property, force majeure, dispute resolution, sanctions, the duty to cooperate and reporting, including regarding monthly reports and documentation of milestone payment claims. In February and March 2020, Energean received notices under the TechnipFMC EPCIC Contract in relation to (a) the travel restriction in China as a result of COVID-19 and (b) the WHO declaration of pandemic due to COVID-19, claiming that each constitutes a force majeure event, potentially entitling TechnipFMC to claim an extension of time under the said contract, however, TechnipFMC's claim for such an extension of time is yet to be agreed. First gas from Karish Main is now anticipated in 4Q 2021 / 1Q 2022. TechnipFMC has provided regular updates on these circumstances and any effect on the progress of the project and is required, under the contract, to use its reasonable efforts to mitigate such effects.

(h) Karish and Tanin sale and purchase agreements

On 16 August 2016, the Group entered into an agreement to acquire its interests in the Karish and Tanin leases from Delek and Avner. This included a sale and purchase agreement under which Delek and Avner each sold, assigned and transferred their respective 26.4705% participating interests in each of the Karish and Tanin leases to the Group, and caused Noble to sell and transfer its 47.059% participating interests in each of the Karish and Tanin leases, which Delek and Avner were irrevocably and exclusively authorised to sell, assign and transfer to the Group.

The purchase price was US$148.5 million, of which the Group has, as at the date of this Circular, paid US$72.55 million (excluding interest, US$40 million was paid in August 2016, US$10.85 million was paid in each of March 2018, March 2019 and March 2020, respectively) and the remainder of US$75.95 million is payable in seven annual payments of US$10.85 million each. In addition, an annual interest charge of 4.6% is applied to each of the outstanding amounts. These amounts are payable regardless of any gas production in place.

The sale and purchase agreement also granted to Delek and Avner (which have since merged together into Delek) overriding royalty interests under which the Group is obliged to pay them an aggregate royalty of 7.5%, increasing to 8.25% on the date on which Energean is first required to make payments on account of the Levy pursuant to the Taxation of Profits from the Natural Resources Law, 5771-2011, less the royalties due under the existing royalties to other third parties, in respect of all natural gas and condensate produced pursuant to the Karish and Tanin leases.

The sale and purchase agreement contained customary warranties for a transaction of this nature.

9.1.2 Save as disclosed in paragraph 9.1.1, there are no contracts (other than contracts entered into in the ordinary course of business) which have been entered into by members of the Group (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document.

9.2 Energean Israel

9.2.1 The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Energean Israel Group (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Energean Israel Group has any obligation or entitlement which is material to Energean Israel as at the date of this document:

(a) **Acquisition Agreement**

Details of the Acquisition Agreement are set out in Part 4 (*Summary of the Acquisition Agreement*) of this document.

(b) **Senior Credit Facility for the Karish-Tanin Development**

Details of the Senior Credit Facility for the development of the Karish Main, Karish North and Tanin fields are set out in paragraph 9.1.1(c) above.

(c) **EISL Shareholders' Agreement**

Details of the EISL Shareholders' Agreement are set out in paragraph 9.1.1(f) above.

(d) **TechnipFMC EPCIC Contract**

Details of the TechnipFMC EPCIC Contract are set out in paragraph 9.1.1(g) above.

9.2.2 Save as disclosed in paragraph 9.2.1, there are no contracts (other than contracts entered into in the ordinary course of business) which have been entered into by members of the Energean Israel Group (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Energean Israel Group has any obligation or entitlement which is material to Energean Israel as at the date of this document.

10 Litigation

10.1 The Group

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months preceding the date of this document, which may have, or have had in the recent past significant effects on the Company and/or the Group's financial position or profitability, save for the following:

(a) Tsabar Oil & Gas Ltd., et al., vs Energean Israel, Energean E&P Holdings, Energean Oil & Gas S.A., Mathios Rigas and Efstathios Topouzoglou

On 6 November 2019, Tsabar Oil & Gas Ltd., Nammax Oil & Gas Ltd. and Med Sea Ltd. (together, the "**Tsabar Group**"), which entities are beneficially controlled by Beny Steinmetz, issued a claim against Energean Israel, Energean E&P Holdings, Energean Oil & Gas S.A., Mathios Rigas and Efstathios Topouzoglou (together, the "**Respondents**"), in respect of what was described in the claim as "Energean's interests" in the project related to the Karish and Tanin gas reservoirs, offshore Israel (the "**Interests**" and the "**Project**", respectively). The Tsabar Group claims, *inter alia*, that the Respondents breached agreements and understandings allegedly reached in respect of the Tsabar Group's commercial stake in the Project, should the Israeli Petroleum Commissioner not approve its participation. The Tsabar Group is seeking a declaratory relief stating that it is entitled to a share of 20%-25% in the Interests or financial compensation estimated at US$146.7 million; or, further, in the alternative, a declaratory relief stating that it is entitled to a share in the Project of at least 10% or to a financial compensation estimated at US$172.6 million. Both at the time of the acquisition of the Karish Tanin interests by Energean Israel and as at the Latest Practicable Date (as acknowledged by the Tsabar Group in its claim), the Israeli Petroleum Commissioner suspended any participation by the Tsabar Group, as controlled by Mr Steinmetz, in the potential acquisition of any interest in Karish-Tanin. On the basis of legal advice obtained to date, the Directors consider that it is more likely than not that the Claim will be dismissed; and the matter will be defended vigorously. The Respondents have appointed a leading law firm in Israel, S. Horowitz & Co, which filed a robust Statement of Defence in the Israeli courts on 21 May 2020. A final court decision on the case may take several years. In the event of the claim being successful, and in the context of the Group's overall operations, cashflows and finances, the financial viability of the Group is unlikely to be affected.

(b) Edison E&P vs *Agenzia del demanio* – concession fees for 2019 under law no. 12/2019

On 18 October 2019, Edison E&P brought an action before the *Tribunale civile* of Rome against a request received from the *Agenzia del demanio* (*direzione generale Marche*) for certain fees related to five exploitation concessions which represented an immaterial amount of the Edison

E&P Group's production in 2018 and of the Edison E&P Group's 2P reserves as at 31 December 2019. The request has been made under the new provisions issued by Italian law no.12/2009 which have increased by 2400% the fees due from concession holders, onshore and offshore (representing an overall increase of approximately €4.7 million per annum for the entire Italian portfolio of Edison E&P). The first hearing, originally scheduled for 24 February 2020, was initially postponed to 17 April 2020 and then further postponed to 16 October 2020, due to the current health emergency caused by COVID-19. Meanwhile, on 27 March 2020, Assomineraria (the association of companies operating in the oil and gas sector in Italy) intervened in the proceeding to support Edison E&P's action.

The purpose of the action is to obtain a decision from the European Court of Justice or the Italian Constitutional Court stating that the provisions of the recent law n. 12/2019 imposing the increase of the annual fees for the exploitation concessions (as described in the paragraph above) are not valid. If successful, this will significantly reduce fees payable in respect of all of the Edison E&P Group's Italian concessions. Otherwise, the Edison E&P Group would need to continue to pay the increased annual fees as described above in respect of all of its Italian concessions.

(c) MATTM vs Edison S.p.A and others for the indemnification of environmental damages arising from the Vega field

On 30 May 2018 the MATTM filed a law suit before the "*Tribunale civile di Catania*" (court in Catania) against Edison and others asking for indemnification of certain environmental damages (quantified in an aggregated amount of €76.5 million plus interest, for which each defendant could be jointly liable) allegedly caused by the waste disposal activities (mainly water re-injection) carried out by Edison as operator of the Vega field between 1989 and 2007. Interim hearings have been held in November 2018 and October 2019. On 11 February 2020, the judge deemed the case ready for the decision and has scheduled the final hearing to clarify each party's demands on 2 March 2021.

If the claim is successful, Edison E&P (as the owner of the Vega concession) may be liable to contribute to, or satisfy in full, any payment of this indemnification claim, and it is not possible to quantify any potential payment at this stage of the proceeding. Edison has provided an indemnity to Energean Capital Limited in the Acquisition Agreement in respect of any liability suffered by any member of the Edison E&P Group in respect of this claim.

(d) Imposta Municapale Unica ("**IMU**") and Tassa sui Servizi Indivisibili Comunali ("**TASI**") tax litigations brought by various Italian Municipalities relating to offshore platforms within the 12 nautical miles of shore

There are various real estate tax litigations brought by various Italian Municipalities against Edison S.p.A, Edison E&P and ENI SpA ("**ENI**") in respect of IMU /TASI real estate tax assessments on Rospo and Vega platforms and floating storage vessels and other platforms within the 12 nautical mile limits. As regards Edison E&P, these potential liabilities have been assumed by Edison S.p.A for all tax years up to 31 December 2018 under an amendment to the agreement under which Edison's Italian E&P business was hived down to Edison E&P in July 2018 and under the tax deed associated with Energean Capital's acquisition of Edison E&P. The IMU and TASI tax litigations in respect of Rospo Mare platforms A, B and C and FSO Alba Marina are expected to be settled shortly without any liability to Edison E&P.

Between 20 December 2019 and 5 January 2021 a number of new tax assessments were received by Edison in respect of the years 2016 to 2019 from the municipalities of Porto Sant'Elpidio, Torino di Sangro, Cupra Marittima, Scicli and Pineto claiming amounts in respect of IMU, TASI, interest and sanctions. These will be defended vigorously by Edison S.p.A. and by Edison E&P and there are a number of lines of defence. Edison E&P's potential liability is in respect of the 2019 year only where the aggregate amount claimed is approximately EUR 6.9m. There are however additional claims for cumulative legal sanctions (not yet adequately explained) from Torino di Sangro municipality of EUR 3.97 million and from Scicli municipality of EUR 4.77 million (assuming in each case equal apportionment between 2016 to 2019 years). The assessments from the municipalities of Scicli and Cupra Marittima have been made notwithstanding previous settlement agreements under which the municipalities agreed that there would be no further liability for IMU or TASI after the 2015 tax year.

(e) Litigations with the Termoli Port Authority in respect of the fees payable under the marine concession regarding FSO Alba Marina serving the Rospo Mare field

There are various court cases concerning the calculation of fees under the marine concession from the Termoli Port Authority to Edison E&P in relation to the FSO Alba Marina which serves the Rospo Mare Field.

The fees have been paid on the basis of the actual area of the FSO Alba Marina ship. The Termoli Port Authority subsequently claimed that the concession fees should have been calculated according to the "virtual area" criterion, which would look at the whole sea area which might be taken up by the FSO Alba Marina as it pivoted around its anchor buoy. This would significantly increase the concession fees going back to 2012. Based on legal advice received, Energean is confident that Edison E&P has a good chance of being successful in these litigations. However, The Termoli Port Authority has been successful in a couple of first instance cases on procedural grounds in the Court of Campobasso, but the judge did not consider the substantive issue as to whether the virtual area criterion or "actual area" was the correct method of calculation for the Concession Fee. Accordingly Edison E&P has appealed these cases to the Campobasso Court of Appeal. None of the other cases has yet had a decision on the substantive issue.

The Edison E&P accounts contain a provision of EUR 4.7 million (included in BTE) against an adverse outcome of these court cases. Energean has in place a bank guarantee from ING Bank for EUR 6 million in favour of the Termoli Port Authority in case it is successful in these litigations. This bank guarantee may need to be increased in amount in connection with the imminent renewal of the marine concession to cover future concession years.

10.2 Energean Israel Group

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months preceding the date of this document, which may have, or have had in the recent past significant effects on the Company and/or the Energean Israel Group's financial position or profitability, save for the legal proceedings as set out in paragraph 10.1(a) above.

11 Working Capital

The Company is of the opinion that, taking into account the facilities available to the Post-Acquisition Group, the working capital available to the Post-Acquisition Group is sufficient for the Post-Acquisition Group's present requirements, that is, for at least the next 12 months from the date of publication of this document.

12 Significant changes

12.1 The Group

There has been no significant change in either the financial performance or the financial position of the Group since 30 June 2020, the end of the most recent financial period for which historical financial information of the Group has been published.

12.2 Energean Israel Group

There has been no significant change in either the financial performance or the financial position of the Energean Israel Group since 30 June 2020, the end of the most recent financial period for which historical financial information of the Energean Israel Group has been published.

13 Consents

(a) Morgan Stanley has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.

(b) D&M has given and has not withdrawn its written consent to being named in this Circular and to the inclusion in this Circular of information attributed to D&M and references to the D&M Israel Report. The Company confirms that, between the effective date of the D&M Israel Report (being 30 June 2020) and the date of this document, no material changes have occurred, the omission of which would make the D&M Israel Report misleading.

14 Documentation Incorporated by Reference

Information incorporated by reference	Document reference	Page number(s) in this document
Energean Annual Report 2017	Note 31 (Related parties) on pages 131-134	para 8, Pt 5
Energean Annual Report 2018	Page 86 (Service Contracts)	para 5, Pt 5
	Note 28 (Related parties) on pages 157-159	para 8, Pt 5
Energean Annual Report 2019	Pages 104-107 (Service Contracts)	para 5, Pt 5
	Note 27 (Related parties) on pages 178-179	para 8, Pt 5

The documentation incorporated by reference into this Circular listed in the table directly above may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Accurist House, 44 Baker Street, London W1U 7AL, United Kingdom in accordance with the measures imposed by the UK Government in connection with the COVID-19 pandemic, at the website www.energean.com/investors and upon an email request sent to cosec@energean.com.

15 Documents available for Inspection

Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Accurist House, 44 Baker Street, London W1U 7AL, United Kingdom in accordance with the measures imposed by the UK Government in connection with the COVID-19 pandemic, at the website www.energean.com/investors and upon an email request sent to cosec@energean.com:

(a) the Memorandum and Articles of Association of the Company;

(b) the consent letters referred to in paragraph 13 above;

(c) the Acquisition Agreement;

(d) the Convertible Loan Notes;

(e) the Annual Reports and audited consolidated financial statements of the Group for each of the three financial years ended 2017, 2018 and 2019;

(f) this document; and

(g) the Form of Proxy.

PART 6

DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

Acquisition	the proposed acquisition of Kerogen's entire interest in Energean Israel, which constitutes 30% of the total issued share capital of Energean Israel pursuant to the Acquisition Agreement
Acquisition Agreement	the sale and acquisition agreement dated 29 December 2020 described in Part 4 (*Summary of the Acquisition Agreement*) of this document
Board	the board comprising the Directors
Buyer or **Energean E&P**	Energean E&P Holdings Limited
Change of Control	means either: (a) Buyer or Energean Israel ceasing to be a subsidiary of the Company or (b) the disposal by Energean Israel of a 50% or greater interest in either the Tanin lease or the Karish lease.
Circular	this document
Companies Act 2006	the Companies Act 2006 (as amended)
Company or **Energean**	Energean plc
Completion	completion of the Acquisition in accordance with the Acquisition Agreement
CREST	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 / 3755)
Directors	the directors of the Company, whose names are set out on page 38 of this document
DTRs	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to Part 6 of FSMA
Edison E&P	Edison Exploration & Production S.p.A., a company incorporated in Italy
EEZ	Israel's Exclusive Economic Zone
Egypt RBL	the US$280 million reserve based facility which the Energean Group entered into on 20 June 2020
Energean E&P Holdings	Energean E&P Holdings Limited
Energean Israel	Energean Israel Limited
Energean Israel Facility Agreement	the amended and restated Facility Agreement dated 16 March 2020 between Energean Israel Finance S.à r.l., Energean Israel, Kerogen, Energean E&P Holdings, Bank Hapoalim B.M., Morgan Stanley Senior Funding, Inc., Natixis and Société Générale, London Branch and others
Energean Israel Group	Energean Israel and its subsidiaries
ENI	Eni SpA
FCA	the UK Financial Conduct Authority
Form of Proxy	the form of proxy accompanying this document for use by Shareholders in relation to the General Meeting
FSMA	Financial Services and Markets Act 2000 (as amended)

General Meeting	the general meeting of the Company to be held at the registered office of the Company at Accurist House, 44 Baker Street, London, W1U 7AL on 19 February 2021 at 10:00 a.m. (or any adjournment thereof, notice of which is set out at the end of this document)
Group	the Company and its subsidiary undertakings
Israel Opportunity	Israel Opportunity Energy Resources LP
IMU	Imposta Municapale Unica
Kerogen or **Seller**	Kerogen Investments No. 38 Limited
Latest Practicable Date	2 February 2021, being the latest practicable date before publication of this document
Listing Rules	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the FSMA, and contained in the UK Listing Authority's publication of the same name
Minority Interest	Kerogen's entire interest in Energean Israel, which constitutes 30% of the total issued share capital of Energean Israel
Morgan Stanley	Morgan Stanley & Co. International plc (as sponsor to the Company)
North Sea Assets	Edison Euroil Limited, Edison E&P UK Limited and Edison Norge SA
Notice of General Meeting or **Notice**	the notice of the General Meeting which is set out at the end of this document
Ordinary Resolution	the ordinary resolution to approve the Acquisition (a) as a Class 1 Transaction (for the purposes of Chapter 10 of the FCA's Listing Rules) and (b) as a Related Party Transaction (for the purposes of Chapter 11 of the FCA's Listing Rules) as set out in the Notice of General Meeting
Post-Acquisition Group	the Group following Completion
Practical Completion	means Practical Completion as defined in the TechnipFMC EPCIC Contract
Practical Completion Certificate	means the practical completion certificate to be issued by Energean Israel under clause 25.10(a) of the TechnipFMC EPCIC Contract
Practical Completion Date	means the earlier of: (i) the date on which Practical Completion occurs; (ii) the date upon which Energean Israel issues a Practical Completion Certificate to TechnipFMC, confirming that certain requirements, as set out in the TechnipFMC EPCIC Contract, have been satisfied; (iii) the date on which the requirement to achieve Practical Completion or the requirement for the issuance of the Practical Completion Certificate is removed or waived by the lenders to Energean Israel under the existing finance documents or the date that any refinancing takes place with such refinancing documentation not containing a requirement to achieve Practical Completion or to issue a Practical Completion Certificates; and (iv) the date on which a Change of Control occurs
Protection Decision	(Government Decision 2592), including infant industry protection measures for small and medium-sized fields, primarily for the benefit of the Karish and Tanin fields, introduced in April 2017 for the further development of the natural gas market in Israel
Regulatory Information Service	any of the services authorised by the FCA from time to time for the purpose of disseminating regulatory announcements

Resolutions	the Ordinary Resolution and the Special Resolution
Scheduled Practical Completion Date	the date by which TechnipFMC is required to achieve the Practical Completion Date, being 31 March 2021 (as may be extended, pursuant to the provisions of the TechnipFMC EPCIC Contract)
Senior Credit Facility	the amended and restated senior credit facility originally entered into by Energean Israel and a syndicate of lenders on 2 March 2018
Shareholders	the holders of the Shares
Shares	the ordinary shares of £0.01 each in the capital of the Company
Special Resolution	the special resolution to approve the issuance of the ordinary shares which may be issued pursuant to the Convertible Loan Notes other than in accordance with statutory pre-emption rights as set out in the Notice of General Meeting
TASI	Tassa sui Servizi Indivisibili Comunali
Term Loan	the 18-month US$700 million new loan facility which Energean E&P Holdings Limited and the Company entered into with J.P. Morgan AG, Morgan Stanley Senior Funding, Inc., HSBC Bank USA, N.A. and others on 13 January 2021
Trading Statement and Operational Update	the trading statement and operational update on recent operations and the Group's trading performance in the 12 months to 31 December 2020, together with guidance for 2021 published by the Company on 21 January 2021
UK Listing Authority	the FCA acting in its capacity as the competent authority for the purposes of Part 6 of FSMA.

All times referred to are London times unless otherwise stated.

All references to legislation in this document are to the legislation of England and Wales unless otherwise stated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

PART 7

GLOSSARY

The following technical terms are used in this document. Grammatical variations of these terms should be interpreted in the same way.

"**appraisal**"	the phase of petroleum operations immediately following a successful discovery. Appraisal is carried out to determine size, production rate and the most efficient development of a field
"**barrel or bbl**"	a unit of volume measurement used for petroleum and its products one barrel of oil; one barrel = 35 Imperial gallons (approx.), or 159 litres (approx.); 7.5 barrels = one tonne (approximately depending upon the oil density); 6.29 barrels = one cubic metre
"**Bcf**"	billion cubic feet
"**Bcm**"	billion cubic meters
"**block**"	term commonly used to describe areas over which there is a petroleum or production licence or PSC or PSA
"**boe**"	a quantity of hydrocarbon (in any form) with a total calorific energy equal to that of one (1) barrel of oil
"**bopd**"	barrels of oil per day
"**Brent**"	a benchmark crude oil from the UK North Sea against which other crude oils are priced. It is widely used as an indicator of the price of oil beyond energy markets. It is traded on forward markets and is the basis of futures and options contracts listed on the International Petroleum Exchange in London
"**carry**"	agreement between two parties according to which one of the two agrees to pay for ("**carry**") all or part of the costs attributable to the other, typically conditional on later reimbursement by the latter to the former
"**charge or migration**"	the movement of hydrocarbons from source rocks into reservoir rocks. Migration can be local or can occur along distances of hundreds of kilometres in large sedimentary basins, and is a critical to a viable petroleum system
"**condensate**"	hydrocarbons which are in the gaseous state under reservoir conditions and which become liquid when temperature or pressure is reduced. A mixture of pentanes and higher hydrocarbons
"**contingent resources**"	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies
"**cost recovery**"	mechanism determined in a PSC or PSA by which the Company (or companies) party to the PSC or PSA is enabled to recover present and past costs
"**decommissioning**"	the process or the procedure by which the facilities and the infrastructure related to the production of hydrocarbon from an oil field are demobilised and abandoned
"**discovery**"	an exploration well which has encountered oil and gas for the first time in a structure
"**exploration**"	the phase of operations which covers the search for oil or gas by carrying out detailed geological and geophysical surveys followed up where appropriate by exploratory drilling

"**fault**"	a displacement (vertical, inclined or lateral) below the earth surface that acts to offset rock layers relative to one another. Faulting can create traps for hydrocarbons
"**field**"	a geographical area under which either a single oil or gas reservoir or multiple oil or gas reservoirs lie, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition
"**formation**"	a body of rock identified by lithic characteristics and stratigraphic position which is mappable at the earth's surface or traceable in the subsurface
"**gas field**"	a field containing natural gas but no oil
"**geophysical**"	association with the earth science concerned with the physical properties. Geophysical exploration is concerned with measuring the earth's physical properties to delineate structure, rock type and fluid content; these measurements include electrical, seismic, gravity and magnetics
"**hydrocarbon**"	a compound containing only the elements hydrogen and carbon. May exist as a solid, a liquid or a gas. The term is mainly used in a catch-all sense for oil, gas and condensate
"**infrastructure**"	oil and gas processing, transportation and off-take facilities
"**lead**"	an identified trap that may contain hydrocarbons. A potential hydrocarbon accumulation may be described as a lead or prospect depending on the degree of certainty in that accumulation. A lead generally requires more data to mature it to the prospect level
"**lease or licence**"	an exclusive right to explore for petroleum, usually granted by a national governing body
"**MMbbls**"	million barrels
"**MMboe**"	million barrels of oil equivalent
"**natural gas**"	gas, predominantly methane, occurring naturally, and often found in association with crude petroleum
"**offshore**"	that geographic area that lies seaward of the coastline
"**oil**"	a mixture of liquid hydrocarbons of different molecular weights
"**oil field**"	the mapped distribution of a proven oil-bearing reservoir or reservoirs
"**onshore**"	geographic area that lies landward of the coastline
"**operator**"	the company that has legal authority to drill wells and undertake production of oil and gas. The operator is often part of a consortium and acts on behalf of this consortium
"**participating interest**"	the proportion of exploration and production costs each party will bear and the proportion of production each party will receive, as set out in an operating agreement
"**petroleum**"	a generic name for oil and gas, including crude oil, natural gas liquids, natural gas and their products
"**petroleum system**"	geologic components and processes necessary to generate and store hydrocarbons, including a mature source rock, migration pathway, reservoir rock, trap and seal
"**phase**"	a distinct state of matter in a system, e.g. liquid phase or gas phase
"**prospect**"	an identified trap that may contain hydrocarbons. A potential hydrocarbon accumulation may be described as a lead or prospect depending on the degree of certainty in that accumulation. A prospect generally is mature enough to be considered for drilling

"**PSA or PSC**"	production sharing agreement or contract under which the contractor agrees to fund and carry out pre-agreed work programmes on behalf of the concession owner in return for a share of production revenues
"**reserves**"	those quantities of petroleum which are anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reference should be made to the full PRMS definitions for the complete definitions and guidelines
"**reservoir**"	an underground porous and permeable formation where oil and gas has accumulated
"**resources**"	contingent resources, unless otherwise specified
"**royalty**"	a percentage share of production, or the value derived from production, paid from a producing well
"**source**"	characteristic of organic-rich rocks to contain the precursors to oil and gas, such that the type and quality of expelled hydrocarbon can be assessed
"**source rock**"	a rock rich in organic matter which, if given the right conditions, will generate oil or gas. Typical source rocks, usually shales or limestones, contain at least 0.5% total organic carbon (TOC), although a rich source rock might have as much as 10% organic matter. Access to a working source rock is necessary for a complete petroleum system
"**Tcf**"	trillion of cubic feet
"**trap**"	a configuration of rocks suitable for containing hydrocarbons and sealed by a relatively impermeable formation through which hydrocarbons will not migrate. Traps are described as structural traps (in deformed strata such as folds and faults) or stratigraphic traps (in areas where rock types change, such as unconformities, pinch outs and reefs). A trap is an essential component of a petroleum system
"**upstream**"	operations stages in the oil and gas industry that involve exploration and production

ENERGEAN PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Energean plc (the "**Company**") will be held at the registered office of the Company at Accurist House, 44 Baker Street, London, W1U 7AL on 19 February 2021 at 10:00 a.m. to consider and, if thought fit, pass the following resolutions which will be proposed as an ordinary resolution and a special resolution, as follows:

Ordinary resolution

1. THAT the Acquisition, on the terms set out in the Acquisition Agreement (both as defined in the circular to shareholders dated 3 February 2021 (the "**Circular**")), be and is hereby approved (i) as a Class 1 Transaction (for the purposes of Chapter 10 of the FCA's Listing Rules) and (ii) as a Related Party Transaction (for the purposes of Chapter 11 of the FCA's Listing Rules) and the Directors (or a committee of the Directors) be and are hereby authorised to waive, amend, vary or extend any of the terms of the Acquisition Agreement (*provided that* any such waivers, amendments, variations or extensions are not of a material nature) and to do all such things as they may consider in their sole discretion to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Acquisition and any matters incidental to the Acquisition.

Special resolution

2. THAT the Directors be empowered pursuant to section 570 of the Companies Act 2006 to allot such equity securities (within the meaning of Section 560 of the Companies Act 2006) of the Company which may be issued pursuant to the Convertible Loan Notes (as defined in the Circular) wholly for cash pursuant to the authority granted at the annual general meeting of the Company of 21 May 2020, up to a maximum nominal amount of £370,754.86, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this authority shall expire five years after the passing of this resolution unless previously renewed or varied.

By order of the Board,

Russell Poynter
Secretary

3 February 2021

Registered office:
Accurist House, 44 Baker Street, London W1U 7AL

Registered in England and Wales No. 10758801

Notes

1. Due to the COVID-19 restrictions currently in place, the General Meeting (**GM**) will be a closed meeting, at which Shareholders shall not be permitted to attend in person. The GM will be attended only by the Chairman of the meeting (plus one other person, representing a shareholder, to ensure the meeting is quorate) and the Chairman will be available to act as proxy for Shareholders.
2. Voting on the Resolutions will be conducted by way of a poll rather than a show of hands. In a poll, each shareholder has one vote for every share held. As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.
3. Only those Shareholders registered in the Company's register of members at:
   (a) 6:00 p.m. on 17 February 2021; or
   (b) if this meeting is adjourned, at 6:00 p.m. on the day two days prior to the adjourned meeting,

   shall be entitled to vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

4. Every member entitled to attend and vote at the GM has the right to appoint some other person(s) of their choice, who need not be a Shareholder, as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. A member may appoint more than one proxy in relation to the GM *provided that* each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

5. A Form of Proxy is provided with this Notice. Amended instructions must also be received by the Company's registrars by the deadline for receipt of Forms of Proxy.

6. If the Chairman, as your proxy, is being appointed in relation to less than your full voting entitlement, please enter in the box next to the Chairman's name the number of Shares in relation to which they are authorised to act as your proxy. If left blank the Chairman will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a Shareholder, the full voting entitlement for that designated account).

7 In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

8. To be effective, the Form of Proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be deposited with the Company's registrars, by post to: Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or by hand to: Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours before the time appointed for the GM or any adjourned GM.

9. As an alternative to using the Form of Proxy (or CREST under Notes 13-16 below), members can appoint a proxy online at: www.investorcentre.co.uk/eproxy. In order to appoint a proxy using this website, members will need their Control Number, Shareholder Reference Number and PIN. This information is printed on the Form of Proxy. If for any reason a member does not have this information, they will need to contact the Company's registrars by telephone on +44 (0) 370 703 6098 or by logging on to www.investorcentre.co.uk/contactus.

10. To be effective, the electronic appointment of a proxy for the meeting and any power of attorney or other authority under which the proxy appointment is made must be received by the Company's registrars not less than 48 hours before the time appointed for the GM or any adjourned GM or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.

11. Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 of the Act (a **Nominated Person**) should note that the provisions in this Notice concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only Shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.

12. Pursuant to regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755) (as amended) and for the purposes of section 360B of the Act, the Company has specified that only those members registered on the register of members of the Company at 6:00 p.m. on 17 February 2021 or if the meeting is adjourned, on the day which is two days prior to the time of the adjourned meeting shall be entitled to attend and vote at the GM in respect of the number of Shares registered in their name at that time. Changes to the register of members after 6:00 p.m. on 17 February 2021 shall be disregarded in determining the rights of any person to attend and vote at the GM.

13. CREST members who wish to appoint the Chairman as their proxy through the CREST electronic proxy appointment service may do so for the GM to be held on 19 February 2021 and any adjournment(s) thereof by using the procedures described in the CREST Manual (available via

www.euroclear.com/CREST). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

14. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (**CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID number 3RA50) by the latest time(s) for receipt of proxy appointments, together with any power of attorney or other authority under which it is sent. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

15. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com/CREST).

16. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended). For further information relating to the CREST proxy system, please refer to the CREST Manual.

17. A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member (provided, in the case of multiple corporate representatives of the same corporate shareholder, they are appointed in respect of different shares owned by the corporate shareholder or, if they are appointed in respect of those same shares, they vote those shares in the same way). Corporate shareholders can also appoint a proxy in accordance with Notes 3-10 and, if relevant, Note 11 above. Please note, however, that if multiple corporate representatives purport to vote the same block of shares in different ways, they will be treated as not having voted.

18. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

    If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

19. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that she has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.

20. Any Shareholder attending the GM has the right to ask questions before the date of the GM by written or electronic means. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a Shareholder and shall publish its answers as soon as reasonably practicable after the GM on its website at http://www.energean.com. However, members should note that no answer need be given in the following circumstances:

    (i) if to do so would interfere unduly with the preparation of the GM or would involve a disclosure of confidential information;

    (ii) if the answer has already been given on a website in the form of an answer to a question; or

    (iii) if it is undesirable in the interests of the Company or the good order of the GM that the question be answered.

21. As at 2 February 2021, being the latest practicable date before the publication of this Notice, the Company's issued capital consisted of 177,089,406 Shares carrying one vote each. Therefore, the total voting rights in the Company as at 2 February 2021 are 177,089,406 Shares.

22. This Notice, together with information about the total numbers of shares in the Company in respect of which members are entitled to exercise voting rights at the meeting as at 2 February 2021, being the latest practicable date before the publication of this Notice, and, if applicable, any members' matters of business received after the publication of this Notice can be found on the Company's website at http://www.energean.com.

23. Shareholders are advised that, unless otherwise stated, any telephone number, website and email address set out in this Notice, the Form of Proxy, or Chairman's letter should not be used to communicate with the Company (including the service of documents or information relating to the proceedings at the GM). Shareholders who have general queries about the meeting should email cosec@energean.com or telephone +44 203 655 7200 (no other methods of communication will be accepted).