NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF THAT JURISDICTION. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT AN OFFER OF SECURITIES IN ANY JURISDICTION.

THIS IS AN ANNOUNCEMENT AND NOT A CIRCULAR OR PROSPECTUS OR EQUIVALENT DOCUMENT AND INVESTORS AND PROSPECTIVE INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION ON THE BASIS OF ITS CONTENTS. A CIRCULAR AND PROSPECTUS IN RELATION TO THE TRANSACTION DESCRIBED IN THIS ANNOUNCEMENT WILL EACH BE PUBLISHED IN DUE COURSE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Premier Oil plc ("Premier") and Harbour Energy ("Harbour")

Proposed merger of Premier and Chrysaor Holdings Limited ("Chrysaor") and the reorganisation of Premier's existing finance arrangements

6 October 2020

Premier and Harbour are pleased to announce that they have reached agreement with Harbour's UK operating company Chrysaor, regarding a proposed all share merger between Premier and Chrysaor (the "**Combined Group**") and the reorganisation of Premier's existing debt and cross-currency swaps (together, the "**Transaction**").

The Transaction will create the largest independent oil and gas company listed on the London Stock Exchange with combined production of over 250 kboepd (as at 30 June 2020). In addition, the Combined Group will have a strong balance sheet and significant international growth opportunities.

Key highlights

- Premier to merge with Chrysaor through a reverse takeover; London listing retained
- The Transaction is expected to result in Premier's stakeholders owning up to 23 per cent of the Combined Group and Harbour and other Chrysaor shareholders owning at least 77 per cent
  - Premier's shareholders are expected to own up to 5.45 per cent[1] of the Combined Group
  - Chrysaor's largest shareholder, Harbour, is expected to own up to 39.02[1] per cent of the Combined Group
- Premier's approximately US$2.7 billion of total gross debt and certain hedging liabilities will be repaid and cancelled on completion
  - A cash payment of US$1.23[2] billion will be made to financial creditors of Premier and its subsidiaries (together, the "**Premier Group**") and Premier Group's cross-currency hedge counterparties (the "**Existing Creditors**"); Premier's approximately US$400million of letters of credit will be refinanced; Existing Creditors will also receive shares in the Combined Group
- The Combined Group's Board of directors will comprise 11 directors including six independent non-executive directors and three executive directors including Linda Z. Cook (currently CEO of Harbour) who will be CEO of the Combined Group and Phil Kirk (currently CEO of Chrysaor) who will be President of the Combined Group and CEO Europe; the two other non-executive directors will be appointed by Harbour

[1] The amount they will own in the Combined Group will vary depending on the level of take-up by Existing Creditors of the partial cash alternative

[2] Plus RCF drawings as under the Senior RCF Facility and Super Senior RCF/LC Facility between 1 July 2020 and the Restructuring Effective Date

- The Transaction is subject to regulatory approvals and approval by Premier's shareholders and the Existing Creditors

Rationale and benefits of the Transaction

The Boards of Directors of Premier and Harbour believe the Transaction will:

- Bring together two complementary businesses to create the largest London-listed independent oil and gas company by production and reserves
  - Combined production as at 30 June 2020 of over 250 kboepd and combined 2P reserves of 717 mmboe as at 31 December 2019
  - Combined 2020 H1 revenue of US$1.76 billion and H1 EBITDAX of US$1.27 billion
  - Competitive operating costs of US$10.5/boe in H1 2020
  - Sector leading strategies to reduce the carbon footprint of their operations

- Result in a Combined Group with significant scale and diversification, through the combination of material operated and non-operated cash generative production hubs in the UK North Sea

- Create a business with a stable platform for future growth and the ability to fund and realise value from its development portfolio and international exploration projects

- Transform Premier's financial position, delivering a Combined Group with a strong and sustainable financing structure with resilience to compete in a lower commodity price environment; anticipated combined accounting net debt (excluding Letters of Credit) of approximately US$3.2 billion on completion

- Create substantial cost and tax synergies, accelerating the use of Premier's c. US$4.1 billion of UK tax losses and unlocking significant value for shareholders

- Create a combined business with the potential to offer a meaningful dividend for shareholders over time

Conditions to closing

The Transaction is subject, amongst other things, to regulatory, shareholder and Existing Creditors' approval.

Since the Transaction constitutes a reverse takeover for the purposes of the Listing Rules, Premier will need to seek shareholder approval and re-admission of its ordinary shares upon completion to the Official List of the FCA and to trading on the main market of the London Stock Exchange. Premier will in due course send a prospectus and circular to its shareholders convening a general meeting to approve the Transaction.

Premier's Board intends to provide its unanimous and unconditional recommendation to Premier's shareholders to vote in favour of the Transaction, as the Premier directors intend to do in respect of their own beneficial holdings of Premier's shares, representing approximately 0.12 per cent of the existing share capital of Premier as at 5 October 2020, being the last practicable date prior to publication of this announcement.

Roy Franklin, Chairman of Premier, commented:

"The Board intends to recommend unanimously this transaction to shareholders as being in the best interests of shareholders and the company. This will mark a new and exciting chapter in Premier's history."

Tony Durrant, CEO of Premier, commented:

"There is significant industrial, commercial and financial logic to creating an independent oil and gas company of this size with a leading position in the UK North Sea. The transaction will also provide the Combined Group with a solid foundation from which to pursue a fully funded international growth strategy."

Linda Cook, CEO of Harbour, commented:

"This transaction is the next step in Harbour's aspiration to develop a new independent E&P company with global relevance. It significantly advances our leading position in the North Sea, where we will continue to re-invest, and expands our geographic footprint to Asia and Latin America. We are excited by the Premier assets in these regions and view them as the foundations upon which to build material portfolios and further diversify the company."

Phil Kirk, CEO of Chrysaor, commented:

"Through this deal we will become the UK's largest London-listed independent E&P, by all key metrics. With our combined organisation and operatorship of a large part of our now international portfolio, we will have the ability to deliver value safely, and play our part in the energy transition."

A live audio webcast and conference call for analysts and investors will be held today at 09:30am (BST):

Webcast access: www.premier-oil.com
Dial-in details are: +44 (0)20 3936 2999. Access code: 348571

This summary should be read in conjunction with the full text of this announcement below.

Premier enquiries:

RBC Capital Markets (Financial Adviser and Joint Corporate Broker)	**020 7653 4000**
Martin Copeland	
Matthew Coakes	
Paul Betts	
PJT Partners (UK) Ltd (Debt Financial Adviser)	**020 3650 1100**
Martin Gudgeon	
Jamie Bolden	
Jefferies (Joint Corporate Broker)	**020 7029 8000**
Tony White	
Will Soutar	

Camarco (Advisers to Premier)	**020 3757 4983**
Billy Clegg	
Georgia Edmonds	

Harbour / Chrysaor enquiries:

Barclays (Joint Financial Adviser)	**0207 623 2323**
Michael Powell	
Rob Mayhew	
BMO Capital Markets (Joint Financial Adviser)	**020 7236 1010**
Jeremy Low	
Tom Hughes	
Brunswick Group (Advisers to Chrysaor) (UK & International Media)	**020 7404 5959**
Patrick Handley	
Will Medvei	

Sard Verbinnen & Co. (Advisers to Harbour Energy and EIG Global Energy Partners (North American Media)

Kelly Kimberly	**+1 212 687 8080**
Brandon Messina	

The information contained within this announcement is deemed by Premier to constitute inside information as stipulated under the Market Abuse Regulation. By the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of Premier is Andy Gibb (General Counsel).

LEI: 213800YPC42DYBKVPF97

BACKGROUND

Background to the Transaction for Premier

On 20 August 2020, Premier announced it had agreed with a subset of the Existing Creditors a heads of terms for a long term refinancing of the Premier Group's debt facilities, which included an equity raise of up to US$530 million (the **"proposed refinancing"**). The proposed refinancing remained subject to Existing Creditor and shareholder approval as well as to total take-up under the equity raise being not less than US$325 million. On 15 September 2020, Premier confirmed that, in parallel to seeking Existing Creditor consent for the proposed refinancing, it was in discussions with a number of third parties, including Chrysaor, regarding alternative long term refinancing solutions.

Premier's Board believes that the Transaction is of broadly comparable value to shareholders as compared to the proposed refinancing but, taking into account today's challenging macroeconomic conditions, has greater execution certainty.

As a result, Premier will not be proceeding with the proposed refinancing or the acquisitions of assets from BP previously announced which were to be financed from the proceeds of the proposed refinancing.

DETAILS OF THE TRANSACTION

Transaction Terms

Under the terms of the Transaction, Premier will acquire Chrysaor in return for the issuance of new Premier shares and Premier Group's approximately US$2.7 billion of total gross debt and cross-currency swaps will be repaid and cancelled.

Upon completion of the Transaction, the Existing Creditors will receive a cash payment of US$1.23[2] billion in satisfaction of part of the Premier Group's existing debt and cross-currency swaps and Premier will issue new shares to the Existing Creditors to satisfy the balance of the Premier Group's existing debt and cross-currency swaps.

The cash payment will be funded through a US$4.5 billion reserve based lending facility ("**RBL Facility**") that is being fully underwritten by Bank of Montreal (London Branch), BNP Paribas, DNB (UK) Limited and Lloyds Bank plc, and existing Premier cash. The cash component will be subject to adjustments to reflect drawdowns and repayments of the Combined Group's debt from 30 June 2020 to completion of the Transaction.

The Premier Group's outstanding letters of credit of approximately US$400 million will also be refinanced. This, together with the US$1.23 billion cash payment, represents approximately 61 cents on the dollar recovery for Existing Creditors (on average across Existing Creditors). In addition, Existing Creditors will receive (i) new shares in the Combined Group and/or (ii) a cash alternative which is capped at a maximum of US$175 million (the "**Partial Cash Alternative**"). It is expected that Existing Creditors will be able to subscribe in cash at a pre agreed price for those new shares in the Combined Group which would have been issued to Existing Creditors if they had not elected to take the partial cash alternative (the "**Top-Up Election**").

The combination of these provisions would result in a total recovery of approximately 75 cents on the dollar (on average across Existing Creditors) in cash at completion of the Transaction for those

[2] Plus RCF drawings as under the Senior RCF Facility and Super Senior RCF/LC Facility between 1 July 2020 and the Restructuring Effective Date

electing for the partial cash alternative. For those Existing Creditors who elect to take new shares they would have a base cash recovery of approximately 61 cents on the dollar (on average across Existing Creditors) with the additional potential value of those shares based on the future valuation of the Combined Group.

Immediately following completion of the Transaction, and assuming full take up by Existing Creditors of the partial cash alternative and assuming no Top-Up Election, the shares in the Combined Group would be held as follows:

- Harbour and other Chrysaor shareholders: 83.92 per cent (of which Harbour 39.02 per cent)
- Premier stakeholders: 16.08 per cent (comprising Premier shareholders 5.45 per cent, Existing Creditors 10.63 per cent)

Immediately following completion of the Transaction, and assuming no take up by Existing Creditors of the partial cash alternative, the shares in the Combined Group would be held as follows:

- Harbour and other Chrysaor shareholders: 77 per cent (of which Harbour 35.80 per cent)
- Premier's stakeholders: 23 per cent (comprising Premier shareholders 5 per cent, Existing Creditors 18 per cent)

Harbour Whitewash Waiver

It is anticipated that Harbour as the largest shareholder of Chrysaor, together with its concert parties, as determined by the Takeover Panel, will hold between 36.7 per cent of the shares of the Combined Group and 40.0 per cent of the shares of the Combined Group (depending on take up by Existing Creditors of the partial cash alternative and assuming no subscription by the Existing Creditors for the Top-Up Election). As a consequence, since this exceeds the 30 per cent trigger for a mandatory offer under the Takeover Code, the Transaction is also conditional on a Rule 9 whitewash waiver from the Takeover Panel in order to disapply mandatory offer requirements. This whitewash waiver will require approval by Premier's independent shareholders at the general meeting to be held in due course.

Harbour's shares will be subject to a 12 month lock-up from completion and a further 365 day orderly marketing covenant. Shares held by affiliates of EIG Global Energy Partners' ("EIG") and certain Chrysaor minority shareholders will be subject to a 6 month lock-up from completion and an orderly marketing covenant. Due to the size of its shareholding in the Combined Group, Harbour will enter into a relationship agreement on customary terms with Premier on completion.

Merger Agreement – Key Termination Provisions

The merger agreement that will give effect to the Transaction can be terminated in a number of limited circumstances. Premier can terminate in certain circumstances, including where the RBL Facility ceases to be available to be drawn down on completion or where Premier is unable to make the working capital statement required in the prospectus and circular that are being prepared in connection with the Transaction. Chrysaor or the Harbour parties can terminate the merger agreement if the Premier Board changes or withdraws its recommendation, if Premier shareholders do not approve the Transaction or if Premier fails to publish the prospectus or circular once it has been approved by the FCA. Both parties have customary termination rights for material breaches of warranties and interim covenants and in circumstances where (i) a third party offer is made under the Takeover Code and is recommended by the Premier Board; (ii) the Combined Group is found not to be eligible for re-admission to the premium segment of the Official List under the Listing Rules or the prospectus or circular is not approved by the FCA for reasons relating primarily to Chrysaor and the Harbour parties, including due to a projected shortfall in the Combined Group's working capital position after completion; (iii) Harbour does not commit to making a Rule 9 offer for Premier shares under the Takeover Code, if required to make such offer; and (iv) the creditor lock-up arrangements terminate, as described further below, in relation to the support letter.

If the Transaction is terminated, break fees may become payable by Premier or Chrysaor. In Premier's case the limit of any break fee payable is approximately US$1.8 million. The break fee amounts payable by Chrysaor vary depending on the materiality of the termination event. Chrysaor will be required to pay a break fee of US$100 million if the Transaction is terminated in circumstances where (i) the Transaction fails to complete because the RBL Facility is not available, or any of Chrysaor or the Harbour parties is in breach of its completion obligation; (ii) Harbour does not commit to making a Rule 9 offer for Premier shares under the Takeover Code, if required by the Takeover Code to make such offer; (iii) Chrysaor is in material breach of its warranties or interim covenants given under the merger agreement; or (iv) subject to certain exceptions, Premier is unable to make the working capital statement required in the prospectus and circular. A lower break fee of US$20 million will be payable by Chrysaor (i) if Premier shares are ineligible for re-admission to listing on the premium segment of the Official List for reasons related to Chrysaor or its shareholders, for any reason other than in relation to working capital requirements; or (ii) in certain circumstances where a party to the creditor lock-up arrangements (other than Chrysaor or a Harbour party) becomes entitled to terminate such arrangements.

Pursuant to the terms of the merger agreement, the Premier directors have the right to amend or withdraw their recommendation of the Transaction at any time if they conclude that such course of action is required as a result of the statutory or fiduciary duties to which the Premier Directors are subject.

Merger Agreement – Key Conditions to the Transaction

The merger agreement between Premier, Harbour, funds managed by EIG and Chrysaor will initially be suspended through an escrow arrangement and will take effect following the requisite thresholds of Existing Creditors having entered into the support letter. The Transaction is also conditional on, among other things:

- Premier shareholder approval at a general meeting convened pursuant to an FCA-approved prospectus and circular
- a whitewash waiver granted by the Takeover Panel to be approved by Premier's independent shareholders
- FCA and London Stock Exchange approval of the admission of the new shares and re-admission of the existing shares
- satisfaction of regulatory approvals in the UK, Falkland Islands and Norway and antitrust approvals (EU, Vietnam and Mexico)
- Existing Creditor approval through Court-convened restructuring plans
- no material breach of warranties or covenants having occurred prior to completion

Existing Creditors' approval

Premier is seeking consent from Existing Creditors for the Transaction and, in order to support implementation of the Transaction, an extension of the existing maturity date of its debt facilities from May 2021 to 31 March 2022 by means of Court-approved restructuring plans. Existing Creditors (other than Premier's retail bondholders) are being asked to enter into a support letter pursuant to which, among other things, they commit to approve the restructuring plans and agree to waive the Premier Group's financial covenants. The support letter will remain in force until the Transaction completes, subject to certain limited termination rights.

As at the date of this announcement, over 43 per cent by value of the Existing Creditors have entered into the support letter. The support letter will terminate if the requisite thresholds of Existing Creditors, being in broad terms 75 per cent of the Existing Creditors, have not entered into it by 3 November 2020 (or such later date as may be agreed). Pending these thresholds being achieved, sufficient Existing Creditors have provided forbearances in respect of any defaults that may be argued to arise under Premier's debt facilities by virtue of steps taken in connection with the Transaction.

Shareholder approvals

As indicated above, the Transaction will be conditional on approval by Premier's shareholders. Premier currently anticipates posting the prospectus and shareholder circular to convene a shareholder meeting to approve the Transaction before the end of the year. At that meeting, shareholders will be asked to approve resolutions (i) consenting to the issue of more than 30 per cent of the shares in the Combined Group to Harbour and its concert parties without triggering a mandatory offer for the purposes of the Takeover Code (a Takeover Code "whitewash"); (ii) approving the Transaction for the purposes of the Listing Rules; (iii) approving the issue of new Premier shares to Chrysaor shareholders and Existing Creditors, as described above; (iv) adopting new standing authorities to issue shares and disapply statutory pre-emption rights reflecting the enlarged share capital of the Premier; and (v) certain other matters required to effect the Transaction.

Board and Management

From completion of the Transaction it is anticipated that:

- the Board of Directors of the Combined Group will comprise 11 directors including six independent non-executive directors, 2 non-executive directors to be appointed by Harbour and 3 executive directors
- Linda Cook (currently CEO of Harbour) will be CEO of the Combined Group and Phil Kirk (currently CEO of Chrysaor) will be President of the Combined Group and CEO Europe

In addition, Tony Durrant (currently CEO of Premier) will step down from the Premier Group at year end.

Further information on the composition of the board of directors of the Combined Group, and other senior management appointments, will be announced in due course.

Board recommendation and Directors' Irrevocable Undertakings

The directors of Premier have determined that the Transaction is in the best interests of Premier based on a number of factors and intend unanimously and unconditionally to recommend that shareholders vote in favour of the resolutions to be proposed by Premier at the shareholder meeting to be held to approve the Transaction.

The directors have irrevocably undertaken that they will vote in favour of the relevant resolutions required to implement the Transaction at the shareholder meeting in respect of the their own beneficial holdings of Premier shares, representing approximately 0.12 per cent of the existing share capital of Premier as at 5 October 2020, being the last practicable date prior to publication of this announcement.

NOTES TO EDITORS

Information on Premier

Premier is an independent exploration and production company with significant oil and gas interests in the UK, Indonesia, Vietnam, the Falkland Islands and Mexico. The Premier Group also has exploration interests in Brazil. The Premier Group was founded in 1934 in Scotland to pursue oil and gas exploration and production activities in Trinidad. The Premier Group acquired its first interest in the North Sea in 1971. It has since expanded its presence on the UK Continental Shelf ("**UKCS**") through a series of value accretive acquisitions and successful exploration.

Premier's portfolio consists of: (i) oil and gas fields which are already producing; (ii) discovered fields not yet producing but which are undergoing development planning or execution; and (iii) licences to explore for new oil and gas fields in prospective areas.

As at 31 December 2019, the Premier Group had 2P reserves of 174.7 mmboe and 2C resources of 672.1 mmboe, giving rise to a reserves and resource base of 846.8 mmboe. Production for the half year ended 30 June 2020 averaged 67.3 kboepd and is forecast by the Premier Group to average between 65 kboepd and 70 kboepd for the year ending 31 December 2020.

Information on Harbour and EIG Global Energy Partners

Harbour is a global energy investor founded by EIG with the objective of building a portfolio of successful, long term energy businesses, with a focus on opportunities outside the United States. EIG specialises in private investments in energy and energy-related infrastructure on a global basis and as at 30 June 2020 had assets under management of US$22.9 billion. Since 1982, EIG has invested over US$34.2 billion through more than 363 projects across 36 countries on six continents.

Further information on EIG and Harbour can be found at www.eigpartners.com and www.harbourenergy.com

Information on Chrysaor

Chrysaor is an independent UK North Sea oil and gas exploration and production company with assets located primarily on the UKCS. Since its inception in 2007, it has grown organically and through acquisitions. This includes the acquisition of certain UK oil and gas assets from Shell for US$3 billion in 2017 and ConocoPhillips for US$2.675 billion in 2019.

Chrysaor's portfolio consists of high quality, long-life oil and gas assets. It is operator of the Greater Britannia Area, the J-Area and the Armada, Everest and Lomond production hubs and also has non-operated interests in some of the UK's largest producing fields, including Elgin-Franklin (where Premier is also a partner), Buzzard and Clair.

During the first half of 2020, production from Chrysaor's assets averaged 187 kboepd. The audited accounts of Chrysaor for the financial year ended 31 December 2019 state that the gross assets of Chrysaor at 31 December 2019 and profits of Chrysaor for the financial year ended 31 December 2019 were US$11.3 billion and US$219 million respectively.

Additional information on Chrysaor and its subsidiaries (together the "Chrysaor Group") can be found below and at www.chrysaor.com

Further information on Chrysaor

Production assets

The following table provides a summary of the Chrysaor Group's portfolio of producing fields, all of which are located in the UKCS, as at 30 June 2020.

Asset	Field	Operator	Field type	Working interest
Armada Area	Drake	Chrysaor	Oil/Gas	100%
	Fleming	Chrysaor	Gas	100%
	Hawkins	Chrysaor	Oil/Gas	100%
	Maria	Chrysaor	Oil	100%
	Seymour	Chrysaor	Oil/Gas	100%
Beryl Area	Beryl	Apache	Oil/Gas	39.445%
	Buckland	Apache	Oil/Gas	37.472%
	Callater	Apache	Oil/Gas	45%
	Ness	Apache	Oil/Gas	39.445%
	Nevis	Apache	Oil/Gas	42.820%
	Skene	Apache	Gas	34.044%
	Storr	Apache	Oil/Gas	41%
Britannia Area	Alder	Ithaca	Oil/Gas	26.320%
	Britannia	Chrysaor	Oil/Gas	58.650%
	Brodgar	Chrysaor	Oil/Gas	87.5%
	Callanish	Chrysaor	Oil/Gas	83.5%
	Enochdhu	Chrysaor	Oil/Gas	50%
Buzzard Field	Buzzard Field	CNOOC	Oil/Gas	21.733%
Clair Field	Clair Field	BP	Oil/Gas	7.503%
East Irish Sea Area	Dalton	Chrysaor	Gas	100%
	Millom	Chrysaor	Gas	100%
	Calder	Chrysaor	Gas	100%
Elgin-Franklin Area	Elgin-Franklin	Total	Oil/Gas	14.110%
	Glenelg	Total	Gas	14.7%
Everest Area	Erskine	Ithaca	Gas	32%

	Everest	Chrysaor	Gas	100%
	Lomond	Chrysaor	Gas	100%
Galleon Field	—	Shell	Gas	8.4%
J-Area	Jade	Chrysaor	Oil/Gas	67.5%
	Jasmine	Chrysaor	Oil/Gas	67%
	Joanne	Chrysaor	Oil/Gas	67%
	Judy	Chrysaor	Oil/Gas	67%
Schiehallion Field	—	BP	Oil/Gas	10%

(1) Operated by Chrysaor and managed under contract by Spirit Energy.

The following table sets forth certain information with respect to the Chrysaor Group's historical production volumes and realised pricing (which reflects the impact of derivatives) for the years ended 31 December 2017, 2018 and 2019 and the six months ended 30 June 2019 and 2020.

	Year ended 31 December			**Six months ended 30 June**	
	2017[3]	**2018**	**2019**	**2019**	**2020**
Production/Sales:					
Sales Volume (kboepd)	99	105	137	123	187
Average realised oil price (US$/bbl)	59.5	61.1	67. 9	69.1	63.9
Av. realised gas price (pence/therm)	43	43	36	39	31
Operating Costs (US$/boe)	15.0	12.6	11.5	11.5	10.2

Operations

Chrysaor operates five complexes in the Central North Sea, which are run out of three business units or hubs; the Armada, Everest Lomond and Erskine fields comprise one hub and the J-Area and Greater Britannia Area the other two. Chrysaor has interests in 33 producing fields located primarily in the Central North Sea area of the UKCS and 14 undeveloped discoveries either in proximity to its existing infrastructure or for which it has entered into farm-in agreements.

[3] Represents 2 months of operations November to December 2017

Chrysaor's strategy is to execute hub-led growth targeting acquisitions of nearby producing fields with associated undeveloped hydrocarbon resources primarily in the UKCS. Its focus is to grow its free cash flow and monetize the reserves within its asset portfolio, appraise and develop existing oil and gas discoveries, invest in production enhancement opportunities and acquire strategic assets.

Chrysaor aims to grow its future cash flows and reserves through continued investment in the various development opportunities in its existing portfolio, including Talbot, Beryl Tertiary and a number of identified infill and compression projects to increase and improve existing recoveries. Chrysaor also intends to continue leveraging the value of its infrastructure by developing existing discoveries in the catchment area of its facilities that would otherwise be uneconomical without the ability to utilize this infrastructure. Chrysaor also seeks to enhance production and access additional reserves through continued investment in low cost infill drilling opportunities across its portfolio.

Armada, Everest, Lomond and Erskine ("AELE")

Chrysaor holds a 100 per cent equity in Armada, Everest and Lomond and a 32 per cent equity in the tied-back Erskine field. Production for the AELE hub was 38.8 kboepd in 2019 (as compared to 21.9 kboepd in 2018) and 34.0 kboepd for the six months ended 30 June 2020 (as compared to 39.7 for the six months ended 30 June 2019).

- **Armada:** Armada is a combined wellhead, production and accommodation platform. Upon taking over operations at Armada, Chrysaor took the decision to extend the life of the Armada hub fields which were originally intended to cease production in 2018. Chrysaor also began production at the Maria Terrace February 2019 and together with the Crestal well, produced an average of 5kboepd for the year. As a result, the Armada hub area fields produced 9.9 kboepd in 2019 (as compared to 4.3 kboepd in 2018). Chrysaor commissioned the Hawkins well and completed and flow-tested Seymour Horst. Both wells are now shut-in for topside construction works, which is nearing completion. Both wells are expected to be brought online after the 2020 annual shutdown.

- **Everest**: North Everest is a combined wellhead, production and accommodation platform producing gas and condensate. A further infill development well within the Everest East Expansion area has been identified and sanctioned and drilling of the New Subsea well (LAD) is expected to take place in 2021. Furthermore, a late life compression project has been approved to reduce the inlet pressure of the North Everest Process, increase recoverable reserves and extend field life. All asset life extension projects at North Everest have been initiated to ensure safe and reliable operation of the facilities beyond their projected field life and these initiatives will be further developed and implemented in future shutdowns. The North Everest Facility produced 16.4 kboepd in 2019 (as compared to 14.5 kboepd in 2018).

- **Lomond and Erskine**: Lomond is a combined wellhead production and accommodation quarters platform, processing gas and condensate. Performance on the Lomond and the associated Erskine field significantly improved in 2019 as the result of a targeted improvement project. The Lomond liquid export pipeline which had not been effectively pigged since 2009, resulting in wax blockages is now routinely pigged and a late-life compression project is now underway to reduce the inlet pressure of the Lomond process, increase recoverable reserves and extend field life. Chrysaor continues to develop and progress exploration and growth opportunities which may further extend asset viability beyond the currently scheduled end of field life. Lomond and Erskine together, produced 12.5 kboepd in 2019 (as compared to 3.1 kboepd in 2018).

J- Area

Chrysaor holds 67 per cent equity in the Judy/Joanne and Jasmine fields and 67.5 per cent equity in the Jade fields. In 2019 and the six months ended 30 June 2020, the J-Area operating efficiency was robust, producing 20.9 kboepd in 2019 (as compared to 16.4 kboepd in 2018) and 33.4 kboepd in the six months ended 30 June 2020 (as compared to 15.2 kboepd in the six months ended 30 June 2019). Chrysaor's future activities in the J-area will focus on ensuring reliability and modifying existing facilities. Work is continuing in preparation for drilling activity in 2021, 2022 and beyond, with development wells planned from Judy and Jade, and exploration and appraisal wells on the Dunnottar, Talbot and Jade South opportunities.

- **Judy/Joanne**: Gas processed on the Judy platform is transported through the CATS pipeline, with oil processing and transportation from Judy to Teesside by way of the J-Area owned spur-line, connecting to the Norpipe pipeline and terminal. In 2013, a new bridge-linked Judy Riser Platform ("**JRP**") was installed as part of the Jasmine development. The JRP provides additional Judy well slots and hosts the high-pressure processing facilities for the Jasmine field.

- **Jasmine**: The Jasmine field comprises a Jasmine wellhead platform and the Jasmine living quarters platform. Hydrocarbons are produced via a multiphase pipeline to the Judy riser platform for processing. In 2019, new incremental production was delivered via the Jasmine infill drilling programme and saw completion of the Jasmine well workover, Joanne North development well and the Merida exploration well. Ongoing drilling operations are continuing and expected to come on stream in 2020.The development drilling programme is expected to continue over the next two years with two additional wells to be developed and infill drilling targets across the entire J-Area to continue to be matured in the course of 2020 as part of the hub- led infrastructure development strategy.

- **Jade**: The Jade field is a normally unmanned installation. Hydrocarbons are produced via a multiphase pipeline from the Jade to the Judy platform for processing. Targeted well intervention in 2019 led to an increase in Jade production volumes and plans for an infill and exploration drilling well programme continue to be developed.

- **Talbot**: The Talbot discovery is a light-oil and associated gas resource opportunity located approximately 14 kilometres south-east of the Judy platform. The Talbot licence was acquired in October 2018 following the 30th Licensing Round. The joint venture partners are the same as Judy and Joanne, with Chrysaor holding a 67 per cent equity stake.

Greater Britannia Area

Chrysaor has a range of equity interests, between 26.32 – 87.5 per cent in the Greater Britannia Area comprising five fields. The hub has produced 40.3 kboepd since Chrysaor took ownership in October 2019, which is equivalent to 10.2 kboepd on an annualised basis. The Greater Britannia Area produced 42.9 kboepd in the six months ended 30 June 2020 despite planned losses owing to a well flow trial and a well intervention campaign.

- **Britannia**: The Britannia field is one of the largest natural gas and condensate fields in the North Sea. In 2019, significant brownfield execution work was initiated, which included the repurposing of existing infrastructure, and engineering work is progressing to re-wheel the facility booster compressor and a FEED study was undertaken to assess re-activation of the platform drilling rig to enable infill drilling opportunities. The 40-day Britannia shutdown scheduled for June and July 2020 has been moved to 2021 and a short, planned, annual outage will take place later in 2020 instead.

- **Brogdar/Callanish**: The Brogdar gas condensate field and Callanish oil field were developed as a combined project, utilising subsea tiebacks to a processing and utility platform, bridge-linked to the Britannia facilities. In 2019, a further infill well was drilled and completed on the Brogdar field with initial rates circa 18.5 kboepd net, and a further infill well is planned for September 2021 at the Callanish field, with first production expected in the first quarter of 2021.
- **Alder**: Alder is a high pressure, high temperature gas condensate reservoir. First production was achieved in 2016.
- **Enochdhu**: Enochdhu was developed as a single-well tieback to Callanish, with its first production in 2015.

East Irish Sea

Chrysaor owns a 100 per cent equity in the East Irish Sea assets which are managed by Spirit Energy under contract. Comprising the Calder, Millom and Dalton producing fields and the Rivers terminal, since Chrysaor took ownership on 1 October 2019, the hub has produced the equivalent of 2.1 kboepd on an annualised basis. The East Irish Sea area produced 8.5 kboepd in the six months ended 30 June 2020. Production in the first half of 2020 was below expectations due to control system issues at Calder, the Rivers Terminal and unplanned compressor maintenance at the North Morecambe Terminal. Chrysaor aims to perform a two week shutdown in the second half of 2020 with the focus being the restoration of reliability levels.

- **Calder, Darwen and Crossans**: Calder produces sour gas and was developed with an unmanned platform and three development wells, exporting through a dedicated pipeline, which provides compression, hydrogen sulphide removal and metering. In 2019, operating efficiency for Calder was improved significantly and base maintenance and integrity scopes for safety and production at critical facilities were carried out. Field barge campaigns and potential future helideck upgrades are anticipated at Calder in 2021, with continued work taking place to evaluate strategic options with Spirit Energy to increase value for the overall Morecambe Bay area, including, but not limited to several Chrysaor owned satellite fields.
- **Millom and Dalton**: natural gas at the Millom and Dalton fields are produced through an unmanned platform and two subsea manifolds. The gas is fed to the North Morecambe Terminal for compression, dehydration and export to the grid. In 2019, base maintenance and integrity scopes for safety and production critical facilities were carried out and Chrysaor continues to work to optimise the work programme and cost structure to develop the longer-term strategy. In particular, Chrysaor is engaged in improving and maintaining facility operating efficiency and the development of a joint area plan in conjunction with the Oil and Gas Authority. Field barge campaigns and potential future helideck upgrades are anticipated at Millom in 2021.

Southern North Sea

Chrysaor has assumed the responsibility for an ongoing decommissioning project on end-of life assets in the Southern North Sea. This programme is well advanced and is expected to materially complete by 2022. Chrysaor's equity in the area ranges from 20.0 per cent to 61.1 per cent and as part of the decommissioning project.

- **CMS Area**: The Caister Murdoch System (CMS) Area, consists of the Murdoch, Caister, Boulton, CMS III, Kelvin, Katy and Munro fields. Production from the CMS Area ceased in August 2018 and decommissioning is ongoing as part of the wider SNS Area campaign. The decommissioning scope consists of 28 wells to be plugged and abandoned, 582 kilometres of pipelines to be flushed and cleaned and eight platforms to be removed and recycled. In 2019, cleaning of all pipelines was completed and in 2020 the Murdoch complex is expected to be transitioned to cold suspension following completion of well abandonment and the remaining wells will be plugged and abandoned through to 2022 with platform removals continuing through to 2024.
- **LOGGS Area**: The LOGGS Area consists of the North Valiant, South Valiant, Vanguard, Vulcan, Vampire, Viscount, Saturn, Mimas, Tethys and Jupiter fields. Production from the LOGGS area ceased in August 2018 and decommissioning is ongoing. The decommissioning scope consists of 77 wells to be plugged and abandoned, 573 kilometres of pipelines to be flushed and cleaned and 17 platforms to be removed and recycled. In 2019, a further 21 wells were plugged and abandoned, and pipeline cleaning of the 119-kilometre gas and methanol trunk lines was completed. Additionally, the LOGGS complex was de-manned and transitioned into cold suspension and the Ganymede platform was removed. The remaining wells are set to be plugged and abandoned through to 2021 with the removal of platforms and 26 wells continuing through to 2023.
- **Viking Area**: The Viking Area consists of the Viking, Vixen and Victor fields. Production from Viking ceased in 2016 and decommissioning is ongoing. The decommissioning scope consists of approximately 40 wells to be plugged and abandoned, 495 kilometres of pipelines to be flushed and cleaned and 13 platforms to be removed and recycled. Platform removals began in 2019 with eight installations being removed and transported onshore for recycling. In the course of 2020, two platforms have been removed and the remaining three platforms will be removed in the course of 2020. The final two subsea wells will be plugged and abandoned in 2021-2022.
- **Theddlethorpe Gas Terminal**: Production at the onshore Theddlethorpe Gas Terminal ceased in 2018 and decommissioning in ongoing. Theddlethorpe Gas Terminal was deemed to be hydrocarbon free in December 2019 and was transitioned into cold suspension, with demolition expected to take 18 months to complete. Demolition was begun in the first quarter of 2020 and land remediation and restoration will follow through to 2023.

UK Non-Operated Asset*s*

Chrysaor has non-operated assets in the UK and works with various operators to promote improved performance and add value to its portfolio. Chrysaor is supporting various operators to improve long-term performance through reservoir development, well planning and commercial activities and additional targets are being identified and drilled.

- **Beryl Area**: Chrysaor has an approximately 39.5 per cent interest in the Beryl area which is operated by Apache which forms part of Chrysaor's UK Non- Operated Assets. The Beryl area produced 16.6 kboepd in 2019 and 2018 and 17.8 kboepd in the six months ended 30 June 2020 (as compared to 15.9 kboepd in the six months ended 30 June 2019). Production continued to be strong in the first half of 2020 despite various production curtailments due to adverse weather causing tanker offload delays and plant-trip challenges. Three well interventions are planned for the second half of 2020, with one well intervention deferred to 2021.

- **Buzzard**: Chrysaor has a 21.7 per cent interest in Buzzard which is operated by CNOOC Petroleum Europe. Buzzard's facilities comprise four bridge-linked steel platforms which support wellhead and production facilities, utilities/living quarters and a further hydrogen sulphide stripping platform. Buzzard produced 23.2 kboepd in 2019 (as compared to 24.3 kboepd in 2018) and 19.6 kboepd in the six months ended 30 June 2020 (as compared to 26.4 kboepd in the six months ended 30 June 2019), reaching a production milestone of 750 million barrels. The Buzzard infill platform drilling campaign was also concluded in the first half of 2020 and as The Buzzard Phase 2 campaign schedule was affected by the postponement of the Cruden Bay FPS shutdown from summer 2020 to 2021, first oil is delayed form March 2021 to December 2021.

- **Clair**: Chrysaor has a 7.5 per cent interest in the BP operated Clair field. On an annualised basis, the Clair field produced 1.3 kboepd or 5.2 kboepd in the fourth quarter of 2019 and 5.3 kboepd in the six months ended 30 June 2020. Production well B06 was brought on stream in the first quarter of 2020 and a second water injector letter well B07 was completed, with plans in place for further system testing in the third quarter of 2020.

- **Elgin/ Franklin**: Chrysaor has a 14.1 per cent interest in the Elgin/Franklin fields, high pressure, high temperature gas and condensate fields. The Elgin/ Franklin field produced 16.4 kboepd net in 2019 (as compared to 17.0 kboepd in 2018) and 19.7 kboepd in the six months ended 30 June 2020 (as compared to 17.4 kboepd in the six months ended 30 June 2019). A Franklin well was completed in December 2019 and the next sanctioned Franklin well is expected to complete in the fourth quarter of 2020. Much of the work expected to take place in 2020 has been deferred to 2021, with only safety-critical and regulatory compliance work scopes planned for this year.

- **Schiehallion**: Chrysaor has a 10 per cent interest in the Schiehallion field. The Schiehallion field produced 7.2 kboepd in 2019 (as compared to 8.5 kboepd in 2018) and 5.6 kboepd in the six months ended 30 June 2020 (as compared to 8.2 kboepd in the six months ended 30 June 2019). In the course of the year, wells were brought online, and the drilling of a water injection well was completed and brought online in August 2020. Drilling has now paused to review performance and to work up further targets for further infill campaigns.

Norway

In January 2020, Chrysaor was awarded eight further production licences on the Norwegian Continental Shelf by the Ministry of Petroleum & Energy ("**MPE**") in relation to the Awards in Pre-Defined Areas ("**APA**") 2019 Offshore Licensing Round.

Chrysaor now hold working interests in 11 licences over 18 blocks with an average working interest of 42 per cent, comprising un-risked recoverable resources of more than 1.4 billion boe

Summary financial information on Chrysaor

Financial Overview

	Year ended 31 December		Six months ended 30 June *(unaudited)*	
	2018	**2019**	**2019**	**2020**
Production (kboepd)	105	137	123	187
Revenue and other income (US$m)	1,965.6	2,366.8	1,055.1	1,243.6
Realised oil price (US$/bbl)	61.1	67.9	69.1	63.9
Realised gas price (p/therm)	43	36	39.1	30.6
Operating cost per barrel (US$/boe)	12.6	11.5	11.5	10.2
EBITDAX	1,404.7	1,691.8	823.8	919.8
(Loss)/ profit before tax (US$m)	578.4	455.6	323.7	(233.4)
Profit after tax (US$m)	368.9	218.8	174.4	137.7
Capital investment (US$m)	410	580	246.2	316.8
Operating cash flow after capital investment (US$m)	1,098	988	545.8	591.9
Net debt (US$m)	542.3	1,889.8	332.3	1,466.3

Consolidated Income Statement	Year ended 31 December		Six months ended 30 June *(unaudited)*	
	2018	**2019**	**2019**	**2020**
		(US$m)		
Revenue	**1,965.6**	**2,357.8**	**1,055.1**	**1,230.0**
Other income	-	9.0	-	13.6
Revenue and other income	**1,965.6**	**2,366.8**	**1,055.1**	**1,243.6**
Cost of sales	(1,120.9)	(1,516.5)	(568.4)	(1,018.0)
Gross Profit	**844.7**	**850.3**	486.7	225.6
Impairment of property, plant and equipment	-	-	-	(315.6)
Provision for onerous service contracts	-	-	-	(27.9)
Exploration and evaluation expenses	(7.9)	(15.1)	(8.1)	(4.2)
Exploration costs written-off	(10.7)	(0.2)	(0.1)	(38.8)
Loss on disposal of exploration and evaluation asset	-	-	-	**(0.1)**
Re-measurements	0.8	3.0	(21.3)	0.5
General and administrative expenses	(24.7)	(75.5)	(22.3)	(29.2)
Operating profit	**802.2**	**762.5**	**434.9**	**(189.7)**
Finance income	46.5	31.6	10.2	105.1
Finance expenses	(270.3)	(338.6)	(121.4)	(148.8)
(Loss)/ profit before taxation	**578.4**	**455.5**	**323.7**	**(233.4)**
Income tax credit/ (expense)	(209.5)	(236.7)	(149.3)	95.7
Profit for the period	**368.9**	**218.8**	**174.4**	**(137.7)**

Consolidated Balance Sheet Data	Year ended 31 December		Six months ended 30 June *(unaudited)*
	2018	**2019**	**2020**
		(US$m)	
Non-current assets			
Goodwill	493.1	1,404.3	1,399.4
Other intangible assets	58.9	430.5	446.1
Property, plant and equipment	3,743.8	7,679.6	6,500.3
Right of use assets	-	221.2	144.0
Other receivables	-	2.6	2.9
Other financial assets	191.5	202.3	313.5
Total non- current assets	**4,487.3**	**9,940.5**	**8,806.2**
Current assets			
Inventories	89.8	146.9	153.0
Trade and other receivables	231.5	474.1	269.4
Other financial assets	299.0	193.9	614.4
Cash and cash equivalents	316.4	573.2	369.4
Total current assets	**936.7**	**1,388.1**	**1,406.2**
Total assets	**5,424.0**	**11,328.6**	**10,212.4**
Equity and liabilities			
Equity			
Share capital........	0.0	0.1	0.1
Share premium........	234.8	910.0	910.0
Cash flow hedge reserve	219.7	176.1	494.0
Costs of hedging reserve	4.8	16.3	8.5
Currency translation reserve	(23.2)	76.6	(58.6)
Retained earnings	500.1	729.9	592.2
Total equity	**936.2**	**1909.0**	**1,946.2**
Non-current liabilities			
Borrowings........	1,709.3	2,205.3	2,170.2

Provisions	1,475.7	3,766.8	3,368.4
Deferred tax	768.8	1,649.3	1,538.8
Trade and other payables	-	52.3	46.4
Lease creditor	-	145.4	96.4
Other financial liabilities	75.5	3.7	14.5
Total non-current liabilities	**4,029.3**	**7,822.8**	**7,234.7**
Trade and other payables	296.4	676.4	759.0
Borrowings	95.6	617.4	11.9
Lease creditor	-	79.5	57.8
Provisions	-	183.1	206.7
Other financial liabilities	66.5	40.4	0.1
Total current liabilities	**458.5**	**1,596.8**	**1,031.5**
Total liabilities	**4,487.8**	**9,419.6**	**8,266,2**
Total equity and liabilities	**5,424.0**	**11,328.6**	**10,212.4**

Chrysaor – current trading

Chrysaor has shown resilience in the challenging business environment created by the COVID-19 pandemic and the commodity price collapse. A robust balance sheet, strong hedge book, flexible portfolio and operational excellence of the business and people has allowed Chrysaor to maintain production and deliver strong financial results in 2020 year to date.

Chrysaor produced an average of 187 kboepd in the first half of 2020 but also paused most of its new drilling activity. After down-manning in March 2020 to mitigate the effects of COVID-19, through the summer Chrysaor began to increase the number of personnel offshore and in September 2020 safely resumed its operated drilling with the J Block S16 and Callanish F5 wells.

As with any material portfolio, during 2020 some of Chrysaor's fields have produced above expectations and some have not.

In the AELE area, whilst production levels and efficiencies have generally been maintained, the Hawkins and Seymour Horst wells were not brought on to stable production due to facilities issues. These wells will now come on stream in October 2020, however Chrysaor expects them to deliver below pre-drill expectations. Depending on observed performance a variety of remedial actions are under consideration.

Exploration activity in the Beryl area Tertiary play has been positive so far with 2 successful wells on Solar and Corona and the currently drilling Gamma well results are highly encouraging. Each discovery improves economics further with several development scenarios under consideration including a possible combined development with the adjacent Norwegian discoveries.

The Greater Britannia Area has seen excellent facilities uptime and better than expected well performance from the Brodgar satellite field.

On the Buzzard field, Phase 1 infill drilling has delivered on or above target, but Buzzard Phase 2 drilling results have been towards the lower end of expectations. Two wells from the North Terrace programme were suspended without completion due to lower than expected reservoir quality. Drilling has now been paused and further wells and side-track activity will wait until after the Phase 2 wells have been brought onto production.

On Clair, strong Phase 1 Production efficiency in 2020 offset delayed drilling and poorer performance on Clair Ridge. On the Ridge development, to date nine wells have been drilled of the 36 well programme. These early wells are producing lower than initial pre-drill expectations and some have seen water breakthrough, albeit expected given the nature of the reservoir. Chrysaor expects lower near-term production than at project sanction but recent updated reservoir models suggest ultimate recovery will be maintained albeit with potentially the need for further wells. The Clair South FID has been delayed by at least a year due to COVID-19 and the current commodity price. This will enable the partnership to investigate several potential development scheme alternatives including using power from shore and tie back options instead of the previously proposed standalone facilities.

Elgin/Franklin's drilling continues and the fields have produced above expectations in 2020. The operator is currently planning facilities and integrity work towards a potential extension of field life.

On the Chrysaor operated J Area, the impact of water breakthrough in the Palaeocene wells has been ameliorated by an active drilling and workover programme which will continue in 2021. The partnership currently intends to increase drilling activity in the area stepping up to two active drilling units in late 2021. A Talbot appraisal well is planned for next year together with near field exploration wells planned for Jade South and Dunnottar.

The award of 14 licences in the UK 32nd round adds significant additional contingent and prospective resources in proximity to Chrysaor's existing infrastructure. Whilst these will not immediately add reserves to the portfolio they will be further evaluated and matured, possibly contributing in the future.

Chrysaor reserves and resources report

To date Chrysaor, as a private company, has not been required to commission, and has not commissioned, any reports on its reserves and resources on the basis of, or to the standard required for, inclusion in a FCA approved prospectus or circular. However, such a mineral expert's report prepared by an independent competent person is a requirement for, and will be included in, the prospectus for the Transaction and is required to have an effective date no earlier than 6 months before the date of that prospectus. A new independent competent person reserves and resources report to meet these requirements is currently being prepared to be included in the prospectus for the Combined Group, and will be published in due course as part of the prospectus for the Transaction (the "**New Chrysaor CPR**").

Earlier this year, Chrysaor had an independent competent person reserves report (the "**1 January Chrysaor CPR**") prepared by LR Senergy with an economic effective date of 1 January 2020. The 1 January Chrysaor CPR, which was dated 5 June 2020, was prepared in line with the revised June 2018 Petroleum Resources Management System ("**PRMS**") guidelines. A copy of the 1 January Chrysaor CPR is available on the Chrysaor website at www.chrysaor.com. However, investors and analysts should note the reserves and production guidance provided above and the additional points made below when considering the information in the 1 January Chrysaor CPR. ***Investors and analysts should not place reliance on the 1 January Chrysaor CPR as if it were produced for inclusion in a prospectus – as it was not.***

In addition, it is important that investors and analysts note, *inter alia*, the following:

- The commodity price assumptions that will be used in the New Chrysaor CPR are expected to be lower than those used in the 1 January Chrysaor CPR.

- 2P reserves in the 1 January Chrysaor CPR stood at 542 mmboe and production in the first half of 2020 was 34 mmboe. COVID-19 driven activity deferrals, some of the adverse drilling results outlined above, together with expected lower commodity price assumptions, potentially impacting an assessment of remaining economic field life for certain fields, is likely to impact reserves and conclusions on economic outcomes, which will only be partially offset by any new 2P reserve additions.

Glossary of Industry Terms

boe	means barrels of oil equivalent;
boepd	means barrels of oil equivalent per day;
FEED study	means a front end engineering design study which is conducted after the completion of a conceptual design or feasibility study and is done to figure out if there are any technical issues and estimate rough investment cost;
kboepd	means thousand barrels of oil equivalent per day;
mmboe	means million barrels of oil equivalent;
NCS	means the Norwegian continental shelf;
Pence/therm	means pence per therm, with one therm being the energy equivalent of approximately a hundred cubic feet of natural gas;
RBL	means reserves based lending;
UKCS	means the UK continental shelf;
US$/bbl	means dollars per barrels of oil;
US$/boe	means dollars per barrel of oil equivalent;
2P reserves	means 1P (proven reserves) plus probable reserves. Probable reserves are additional reserves, which by analysis and geoscience and engineering data, are less likely to be recovered than proved reserves, but more certain to be recovered than possible reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated proved plus probable reserves;

IMPORTANT NOTICE

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

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

No person has been authorised to give any information or make any representations to shareholders with respect to the Transaction other than the information contained in this announcement and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of Premier, the Premier directors, Harbour or the Harbour directors, Chrysaor or the Chrysaor directors or any other person involved in the Transaction. None of the above take any responsibility or liability for, and can provide no assurance as to the reliability of, other information that you may be given. Subject to the Market Abuse Regulation and the FCA's Disclosure Guidance and Transparency Rules and Listing Rules, the delivery of this announcement shall not create any implication that there has been no change in the affairs of Premier, Harbour or Chrysaor since the date of this announcement or that the information in this announcement is correct as at any time subsequent to its date.

RBC Europe Limited is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority. RBC Europe Limited is acting exclusively for Premier and no one else in connection with the transaction or any other matter referred to in this announcement and will not be responsible to anyone other than Premier for providing the protections afforded to its clients nor for providing advice in relation to the transaction or any other matter referred to in this announcement. Neither RBC Europe Limited nor its parent nor any of their subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not its client in connection with this announcement, any statements contained herein or otherwise.

PJT Partners (UK) Ltd (“PJT Partners”) is acting as debt financial adviser to Premier and no other person in connection with the Transaction and this announcement. PJT Partners will not be responsible to any person other than Premier for providing any of the protections afforded to clients of PJT Partners, nor for providing any advice in relation to any matter referred to in this announcement. Without limiting a person’s liability for fraud, neither PJT Partners nor any of its affiliates nor any of its or their respective directors, officers, representatives, employees, advisers or agents shall have any liability to any other person (including, without limitation, any Recipient) in connection with the Transaction.

PJT Partners (UK) Ltd is authorised and regulated by the UK Financial Conduct Authority. Its registered office is at One Curzon Street, London, W1J 5HD. PJT Partners (UK) Limited is registered in England and Wales as a limited company (company number 942 4559).

Jefferies which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Premier and no one else in connection with the Transaction and shall not be responsible to anyone other than Premier for providing the protections afforded to clients of Jefferies nor for providing advice in connection with the Transaction or any matter referred to herein. Neither Jefferies, nor any of its affiliates, subsidiaries or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person other than Premier in connection with this announcement, any statement contained herein or otherwise.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), 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 Chrysaor and no one else in connection with the Transaction and shall not be responsible to anyone other than Chrysaor for providing the protections afforded to clients of Barclays nor for providing advice in connection with the Transaction or any other matter referred to herein.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act of 1934, Barclays and its affiliates will continue to act as exempt principal trader in Premier securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Takeover Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

BMO Capital Markets Limited ("BMO"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Chrysaor and no one else in connection with the Transaction and will not be responsible to anyone other than Chrysaor for providing the protections offered to clients of BMO nor for providing advice in relation to the Transaction or any other matters referred to herein.

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

Percentages in tables have been rounded and accordingly may not add up to 100 per cent. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this press release may vary slightly from the actual arithmetic totals of such data.

Forward-looking statements

Certain statements in this announcement are forward-looking statements. In some cases, these forward looking statements can be identified by the use of forward looking terminology including the terms "believes", "expects", "estimates", "anticipates", "intends", "may", "will" or "should" or in each case, their negative, or other variations or comparable terminology. These forward looking statements reflect Premier's, Harbour's or Chrysaor's current expectations concerning future events and speak only as of the date of this announcement. They involve various risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Premier Group, the Chrysaor Group, the Combined Group, third parties or the industry to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other factors include, amongst other things, general economic and business conditions, industry trends, competition, changes in regulation, currency and commodity price fluctuations, the Premier Group's, the Chrysaor Group's or the Combined Group's ability to recover its reserves or develop new reserves and to implement expansion plans and achieve cost reductions and efficiency measures, changes in business strategy or development and political and economic uncertainty. There can be no assurance that the results and events contemplated by these forward looking statements will in fact occur.

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Premier Group, the Chrysaor Group or the Combined Group, as appropriate, for the current or future years would necessarily match or exceed the amount set out in any forward-looking statement or historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Premier Group, the Chrysaor Group or the Combined Group, as appropriate.

This announcement and the documents required to be published pursuant to Rule 26.1 of the UK Code on Takeovers and Mergers (the "**Takeover Code**") will be made available for inspection on Premier's website at www.premier-oil.com. It will also be able to be accessed through Harbour's and Chrysaor's websites at www.harbourenergy.com and www.chrysaor.com. Neither the content of Premier's, Harbour's or Chrysaor's website (or any other website) nor the content of any website accessible from hyperlinks on Premier's, Harbour's or Chrysaor's website (or any other website) is incorporated into, or forms part of, this announcement.