

RNS Agreement

Shares Subscription Facility Agreement

PENNPETRO ENERGY PLC

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Pennpetro Energy plc

("Pennpetro", the "Company" or the "Group")

Execution of a three-year £20,000,000 Shares Subscription Facility Agreement

Pennpetro Energy, an independent oil and gas company focusing on production in the Gonzales Oil Field in Texas, USA., is pleased to announce the execution of a three-year £20,000,000 Share Subscription Facility Agreement ("Facility") with GEM Global Yield LLC SCS, Luxembourg, and GEM Yield Bahamas Limited (GEM Global). The facility is available to use at the Company's discretion, subject to terms, for both general corporate purposes and the advancement of its petroleum development projects. Pennpetro Energy will control the timing and the maximum number of drawdowns under this facility and has no minimum drawdown obligation. In addition to the subscription of equity through the facility, the Company has agreed to the issuance of up to 12 million warrants at 40 pence each.

GEM is a US\$3.4 billion alternative investment group with offices in New York, Paris, Nassau, and Los Angeles that manages a diverse set of investment vehicles, often preferring to partner with management teams and operators and together with them execute strategic plans and create value. GEM has completed over 435 transactions in 72 countries worldwide.

The Company's on ground technical team based in Texas and headed by Andy Clifford has made excellent forward progress in the implementation of the current Gonzales petroleum development plans with the prognosis that the drilling of the Company's second and third wells is focused on an August start. Thereafter, the Company intends to relocate back to COG#1-H, its initial development well to re-enter the Austin Chalk formation to produce from the initial oil flows encountered during first drilling, in addition to the Buda productive formation from which the Company has produced first oil, and, as previously stated, has now drill proved that reservoir as a productive oil-bearing zone.

Due to additional work commitments to his full-time executive roles external to the Company, Mr. Philip Nash has relinquished his non - executive directorship, but will remain engaged on the Company's current audit due for issuance on 30th June. The Company appreciates the dedication and focus that Mr. Nash brought and wishes him well in his expanded corporate role.

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NOTES TO EDITORS

Pennpetro Energy is an independent oil and gas company focusing on production in the Gonzales Oil Field in Texas, USA. Shares in the company were admitted to the Official List of the London Stock Exchange by way of a Standard Listing on 21 December 2017.

Further information on the Company can be found at www.pennpetroenergy.co.uk

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