

Prospex Oil and Gas Plc / Index: AIM / Epic: PXOG / Sector: Oil and Gas

30 June 2020

**Prospex Oil and Gas Plc ('Prospex' or the 'Company')
 Result of AGM and Share Capital Reorganisation**

Prospex Oil and Gas Plc, the AIM quoted investment company, is pleased to announce that all the resolutions proposed at its Annual General Meeting ('AGM') and as set out in the Notice of AGM of 8 June 2020 ('Notice'), held earlier today, were all duly approved by shareholders.

A poll was held on each of the resolutions and was passed by the required majority. Resolutions 1 to 6 were passed as ordinary resolutions. Resolutions 7 to 9 were passed as a special resolutions. The results of the poll were as follows:

RESOLUTIONS	VOTES FOR	%	VOTES AGAINST	%	VOTES TOTAL	VOTES WITHHELD
1 - TO RECEIVE THE ANNUAL REPORT AND ACCOUNTS	333,232,161	99.89%	200,200	0.11%	333,583,161	0
2 - RE-APPOINTMENT OF DIRECTORS	331,170,502	99.52%	1,449,566	0.48%	332,770,868	812,293
3 - RE-APPOINTMENT OF DIRECTORS	330,170,502	99.22%	2,449,566	0.78%	332,770,868	812,293
4 - RE-APPOINTMENT OF AUDITORS	331,982,995	99.25%	2,365,553	0.75%	334,499,348	200,000
5 - RE-APPOINTMENT OF AUDITORS	330,866,808	99.25%	2,365,553	0.75%	333,383,161	200,000
6 - ALLOTMENT OF SHARE CAPITAL	327,052,315	98.63%	4,377,646	1.37%	331,583,161	2,000,000
7* - CHANGE OF NAME	331,867,008	99.49%	1,565,353	0.51%	333,583,161	0
8* - DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS	319,089,195	96.35%	4,377,746	3.65%	331,162,441	2,420,720
9* - SHARE CAPITAL REORGANISATION	320,322,008	96.60%	3,565,653	3.40%	331,583,161	2,000,000

* indicates special resolution

As at the date of the AGM, the number of issued ordinary shares of the Company was 2,213,593,136 shares, which was the total number of shares entitling the holders to attend and vote for or against all resolutions. In accordance with the Company's Articles of Association, on a poll every member has one vote for every share held. Votes withheld are not votes in law and have not been counted in the calculation of the proportion of vote "for" or "against" a resolution. Proxy appointments, which gave discretion to the Chairman have been included in the "for" total.

Share Capital Reorganisation

As a result of the AGM, the Share Capital Reorganisation is approved by shareholders as per the Notice. Commencement of trading in the New Ordinary Shares (as defined in the Notice) is at 8.00 a.m. 1 July 2020 and the Company will then have 88,543,800 such shares in issue. The Company holds no shares in Treasury.

Share certificates will be issued in relation to the New Ordinary Shares to replace share certificates for existing Ordinary Shares held in certificated form. The new ISIN code is GB00BMFZVZ53 and the new SEDOL code is BMFZVZ5.

To effect the Share Reorganisation, the Company intends, immediately prior to the Share Reorganisation Record Date, to issue an additional 1,864 Existing Ordinary Shares which will result in the total number of Ordinary Shares in issue being exactly divisible by the Share Reorganisation ratio of 25 to 1.

Since these additional shares will only represent a fraction of a New Ordinary Share, this fraction will be combined with other fractional entitlements and sold pursuant to the arrangements for fractional entitlements described below.

The Share Capital Reorganisation will take place in two stages:

Firstly, every 5,000 Existing Ordinary Shares will be consolidated into one Consolidation Share. The Consolidation Shares will not be held by Shareholders but are an integral part of the Share Capital Reorganisation process (the 'Consolidation'). In cases where a Shareholder's total holding of Existing Ordinary Shares is not exactly divisible by 5,000 as at the Record Date, the Consolidation will give rise to fractions of Consolidated Shares attributable to individual shareholders. In such instances, fractions of Consolidated Shares will not be allotted, instead they will be aggregated and the New Ordinary shares from the subdivision, as described below, sold for the benefit of the Company.

Secondly, immediately following the Consolidation occurring, each Consolidation Share will be subdivided into 200 Ordinary Shares of £0.001 each and 1 New C Deferred Share of £4.80. The effective share consolidation ratio is therefore 1 New Ordinary Share (and 1 New C Deferred Share) for every 25 Existing Ordinary Shares held.

It is estimated that the total aggregate value of all Consolidated share fractions will amount to less than £500. Holders of less than 5,000 Existing Ordinary shares will not receive any New Ordinary Shares as part of the Share Capital Reorganisation.

The New C Deferred Shares created by the Share Capital Reorganisation will be effectively valueless as they will not carry any voting rights or dividend rights. In addition, holders of New C Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of New Ordinary Shares have received a payment of £100,000 on each such share. The New C Deferred Shares will not be listed or traded on AIM and it is a condition of the issue of the New C Deferred Shares that no share certificates will be issued in respect of such shares. In addition, the Board may appoint any person to act on behalf of all the holders of the New C Deferred Shares to procure the transfer of all such shares back to the Company, or its nominee, or cancel the New C Deferred Shares.

The rights attaching to the New Ordinary Shares will be identical in all respects to those of the Existing Ordinary Shares. The New C Deferred Shares will have the rights set out in Resolution 9 and will generally rank alongside the other classes of deferred shares in the Company.

At the time of issue of the Existing Options and Existing Warrants, provisions were included in the relevant documentation to adjust exercise prices following any changes to the share capital structure of the Company. The Directors intend to adjust the exercise prices of all of the Existing Options and the Existing Warrants, in line with the Share Capital Reorganisation, on the basis of one New Option and New Warrant for each 25 Existing Options or 25 Existing Warrants. Further to this, the exercise price will also be adjusted in line with the proposed Share Capital Reorganisation.

Share certificates will be issued in relation to the New Ordinary Shares to replace share certificates for Existing Ordinary Shares held in certificated form but it is a condition to the issue of the C Deferred Shares that no new share certificates are being issued in respect of such shares.

Change of Name

The Company's shareholders also voted to change the Company's name to Prospect Energy PLC. An application has been made to Companies House for the name change, and, once approved, Prospex will trade with the revised TIDM of AIM:PXEN. Further announcements regarding the change of name will be made in due course.

The Company's website will become www.prospex.energy.

The capitalised terms in this announcement are as defined in the Notice.

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For further information visit www.prospexoilandgas.com or www.prospex.energy. Alternatively, contact the following:

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Notes

Prospex Oil and Gas Plc is an AIM quoted investment company focussed on high impact onshore and shallow offshore European opportunities with short timelines to production. The Company's strategy is to acquire undervalued projects with multiple, tangible value trigger points that can be realised within 12 months of acquisition and then applying low cost re-evaluation techniques to identify and de-risk prospects.

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