

15 April 2019

MX OIL PLC
("MXO" or the "Company")

Strategic Investor, Fundraise and Issue of Equity

MX Oil plc, an oil and gas investing company quoted on AIM, announces the following corporate update:

Highlights

- **£680,000 raised, before expenses, through a subscription and placing of 1,700,000,000 ordinary shares to provide on-going working capital.**
- **Private office of His Highness Shaikh Ahmed Bin Dalmook Al Maktoum has subscribed for 1,335,000,000 shares (equating to £534,000) and, as a result, now holds 29.86% of the Company's shares.**

Strategic Investor

Shaikh Ahmed Bin Dalmook Al Maktoum Private Office Single Person Company LLC ("Strategic Investor") has subscribed for 1,335,000,000 of the Placing Shares for £534,000 representing a shareholding of 29.86% of the enlarged issued share capital of the Company. The investment by this entity, which is the wholly owned private office of His Highness Shaikh Ahmed Bin Dalmook Al Maktoum, is a strategic investment for the Company. The Strategic Investor has a portfolio of privately held investments that focus on energy projects, LNG terminal development, commodity and oil trading as well as other industries. The Strategic Investors' investment has occurred as it considers that it may be able to add considerable value through the use of its knowledge, network, experience and access to capital.

As part of the agreement for this strategic stake, the Company has offered the Strategic Investor the right to appoint one person to the board of directors, subject to requisite regulatory approval and process, and the intention is for the appointee to take over as Non-Executive Chairman of the Company. A further announcement will be made in due course.

Fundraising, Grant of Warrants and Remuneration

MXO has raised £680,000 before expenses, via a placing and subscription of 1,700,000,000 new ordinary shares at a price of 0.04 pence per share ("Placing Price") ("Fundraise"). Of this fundraise, £534,000, equating to 1,335,000,000 new ordinary shares representing 29.86% of the enlarged issued share capital of the Company, has been subscribed for by Strategic Investor. The proceeds of the Fundraise will be used for general working capital purposes.

In connection with the placing, 800,000,000 warrants have been issued to placees with an exercise price of 0.04p per share for a term of 5 years.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares on AIM will commence on or around 18 April 2019.

As part of the Company's plan to provide longer term management incentives, the Company advises that it intends to grant share options over 10 per cent of the enlarged issued share capital to certain directors and senior management. A further announcement will be made in due course once the board has concluded the terms of the option plan.

On 22 October 2018, the Company announced that the directors had agreed to receive shares in lieu of salary for a six month period (which ends in June 2019) as part of the measures taken to reduce the Company's cost base. The directors, with the exception of Richard Carter, have agreed to vary this arrangement such that they will resume drawing salaries immediately but will elect to accrue half their salary, which may be drawn later or converted at the 5-day VWAP preceding the date of issue, until such time as there is a material improvement in the Company's financial position. Richard Carter will continue to not draw a salary until the expiration of the six month period previously announced at which point he will also elect to accrue half of his remuneration on the same terms as the other directors.

Related Party Transaction

The amendment to the directors' remuneration constitutes a related party transaction pursuant to Rule 13 of the AIM Rules for Companies. Richard Carter, the independent director considers, having consulted with its nominated adviser, Cairn Financial Advisers LLP, that the terms of the transaction are fair and reasonable insofar as its shareholders are concerned.

Total Voting Rights

The Placing is conditional, among other things, upon admission of the new ordinary shares becoming effective. Following admission of the shares, the issued share capital of the Company will comprise 4,471,349,664 Ordinary Shares with one voting right per share.

The Company does not hold any shares in treasury. Therefore, the total number of ordinary shares and voting rights in the Company will be 4,471,349,664. The above figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

The directors of the Company recognise that, following the issue of the Placing Shares, the number of shares in issue is significant and it is the Board's intention to propose consolidating the share capital of the Company at a general meeting. The directors are also considering renaming the Company and making further appointments to the board to help the company achieve its goals. A further announcement will be made in due course.

Stefan Oliver, the Company's CEO commented:

"I'm delighted to welcome an extremely influential and knowledgeable strategic investor into MX Oil who I believe can bring significant value and provide access to opportunities and partners who we would not be able to access without them".

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 and the person who arranged for release of this announcement on behalf of the Company was Stefan Olivier, Chief Executive Officer of the Company. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

**** ENDS ****

For further information please visit www.mxoil.com or contact:

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