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For Immediate Release

18 September 2013

Exillon Energy plc ("Exillon" or the "Company")

Commencement of Formal Sale Process

Introduction

Exillon announced on 30 July 2013 that it had received an approach from Mr Maksat Arip that could lead to an offer being made for the Company. Since that time, the Company has received additional preliminary and conditional approaches in relation to an acquisition of Exillon. Accordingly, the Board of Exillon has unanimously decided to conduct a strategic review of the Company's options, including a potential sale of the Company. Any discussions relating to a sale of the Company would be conducted under the framework of a "formal sale process" under the City Code on Takeovers and Mergers (the "Code"), under which the Board of Exillon would be able to have discussions with third parties interested in such a transaction on a confidential basis.

Exillon's Chairman, David Herbert, commented:

"*Exillon's assets remain materially undervalued by the market. The Board has unanimously concluded that the best way to maximise value for all shareholders at this time is to conduct a strategic review, including an objective auction process."*

Implications of the Formal Sale Process under the Code

The Takeover Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the formal sale process will not be required to be publicly identified as a result of this announcement (subject to note 3 to Rule 2.2 of the Code) and will not be subject to the 28 day deadline referred to in Rule 2.6(a), for so long as it is participating in the formal sale process.

Interested parties should note Rule 21.2 of the Code, which prohibits any form of inducement fee or other offer-related arrangement, and that the Company has not requested any dispensation from this prohibition under Note 2 of Rule 21.2 at this stage.

It is noted that the Company remains in an offer period, which commenced on 30 July 2013.

Process

The Company has appointed Goldman Sachs International as financial adviser, to work alongside LCF Edmond de Rothschild Securities Limited, to conduct the formal sale process. Parties with a potential interest in making an offer for, merging with or proposing other forms of corporate transaction with, Exillon should contact Goldman Sachs International (contact details as set out below) without delay.

Any interested party will be required to enter into a non-disclosure agreement with the Company on reasonable terms satisfactory to the Board of Exillon and on the same terms, in all material respects, as the other interested parties, before being permitted to participate in the process. It is intended that any qualifying participant in the formal sale process will be provided with certain information materials, and granted access to a data room. Following receipt of these information materials, interested parties shall be invited to submit proposals to the Company.

The Board of Exillon reserves the right to alter any aspect of the process as outlined above or to terminate it at any time and in such cases will make an announcement as appropriate. The Board of Exillon also reserves the right to reject any approach or terminate discussions with any interested party or participant at any time.

Shareholders are advised that the approaches that have been received by the Company to date are preliminary and conditional, and as such, there can be no certainty that any offers will be made, any sale concluded, nor as to the terms on which any offer might be made.

A further announcement will be made as and when appropriate.

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This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

The distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure

Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on Website

A copy of this announcement will be made available at www.exillonenergy.com no later than 12:00 noon (London time) on 19 September 2013 (being the business day following the date of this announcement) in accordance with Rule 30.4 of the Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Exillon and no one else in connection with the matters referred to in this announcement, and will not be responsible to anyone other than Exillon for providing the protections afforded to clients of Goldman Sachs International nor for providing advice in connection with the matters referred to in this announcement.

LCF Edmond de Rothschild Securities Limited, which is authorised by and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Exillon and no one else in connection with the matters referred to in this announcement, and will not be responsible to anyone other than Exillon for providing the protections afforded to clients of LCF Edmond de Rothschild Securities Limited nor for providing advice in connection with the matters referred to in this announcement.