

Certain of the information contained within this announcement is deemed by the Company to constitute inside information as stipulated under The Market Abuse Regulation (EU 596/2014) pursuant to the Market Abuse (Amendment) (EU Exit) Regulations 2018. Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

22 February 2021

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

Publication of Bond Restructuring Proposals

Echo Energy, the Latin American focused upstream oil and gas company, is pleased to announce, further to the Company's announcement of 1 December 2020, that following positive and constructive discussions with certain holders of the Company's Luxembourg listed EUR 20.0m 8.0% secured notes (the "Notes") it has published its proposals (the "Proposals") in respect of a restructuring of the Notes and that a meeting of the holders of the Notes (the "Noteholders") has now been convened to consider the Proposals for 10.00 a.m. (London Time) on 15 March 2021 (the "Noteholder Meeting").

Pursuant to the Proposals, the Company is seeking Noteholder consent to:

- Extend the maturity of the Notes by three years to 15 May 2025 (the "Maturity Date"); and
- Remove all cash interest payments on the Notes prior to the Maturity Date.

If approved by the requisite majority of Noteholders any and all interest on the Notes accruing from 31 December 2019 shall be paid in cash on the Maturity Date save that Noteholders will be provided with the ability, from 30 September 2021, to elect to receive Note interest payments in respect of the immediately preceding quarter in new ordinary Shares in the Company ("Elections"), subject *inter alia* to the Company having the required share issuance authorities in place from time to time to satisfy Elections and to Noteholders holding at least 50 per cent. of the Notes having made Elections in respect of the relevant quarter. Any new ordinary shares issued as a result of Elections will be issued at an effective issue price equal to the volume weighted average price of an Echo ordinary share for the 10 Business Days before the relevant interest conversion date.

In putting the Proposals to Noteholders the Company has agreed, subject to Noteholder approval of the Proposals at the Noteholder Meeting that it will not, without the prior consent of Noteholders by way of a simple majority of those Noteholders then voting, drill an exploration well with a budgeted cost to the Company of in excess of EUR 5.0 million for so long as the Notes are outstanding and that it will not, in the last 18 months prior to the Maturity Date, make an acquisition of an interest in an oil and gas property, lease or licence if the cash consideration for such acquisition exceeds EUR 10.0 million.

Subject to the passing of the Proposals at the Noteholder Meeting, the Company will make a payment to Noteholders of an aggregate of EUR 100,000, payable to Noteholders voting in favour of the Proposals at the Noteholder Meeting pro rata to votes cast at the Noteholder Meeting, to be satisfied by the issue of new ordinary shares in the Company at an issue price equal to the average mid-market closing price per Echo ordinary share for the five days ending, and including, 18 February 2021.

A copy of the circular today sent to Noteholders will shortly be available on the Company's website at www.echoenergyplc.com/

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