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Mustang Energy PLC
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Mustang Energy PLC

VRFB-H Successfully Defends Litigation

Mustang Energy PLC ("Mustang" or the "Company"), the special purpose acquisition company, provides the following update on its investment in VRFB Holdings Limited ("VRFB-H").

As announced on 27 April 2021, the Company acquired a 22.1% interest in VRFB-H, a joint venture partner in Enerox Holdings Limited ("EHL"), for a consideration of US\$7,524,000. The investment was financed through the issue by the Company of US\$8,000,000 10% Convertible Loan Notes ("CLNs"), with surplus funds being used to pay costs associated with the investment and working capital.

The Company notes the judgment handed down yesterday in the High Court of Justice: Business and Property Courts of England and Wales (Chancery Division) in the matter between Garnet Commerce Limited (Claimant), VRFB-H and EHL (Defendants) and 2289609 Alberta Limited (Third Party) [Claim No. BL-2021-001153].

The judgment vindicates the position that the investment by VRFB-H into EHL, funded as it was partly by an investment by the Company, was permitted and did not violate any agreements. Accordingly, the investment by Mustang into VRFB-H, and the investment by VRFB-H into EHL, remains effective. As previously announced, Mustang's 22.1% investment into VRFB-H constitutes a reverse takeover under the Listing Rules.

Bushveld and Mustang have agreed to extend the notice period for Mustang to issue notice in respect of the backstop arrangement announced on 19 January 2022, by a further 72 hours to close of business on Thursday, 10 March 2022 to allow all relevant parties to digest the judgment and its implications.

The Company will provide further updates in due course.

ENQUIRIES

For further information, please visit www.mustangplc.com , follow us on Twitter [@Mustang_Plc](https://twitter.com/Mustang_Plc) , or contact:

Mustang Energy PLC

Dean Gallegos, Managing Director

dg@mustangplc.com

+61 416 220 007

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