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THIS IS AN ANNOUNCEMENT UNDER RULE 2.4 OF THE TAKEOVER CODE (CODE) AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

For immediate release

19 January 2024

Rule 2.4 announcement - possible offer by Mustang of Cykel

The following amendment has been made to the Rule 2.4 - possible offer by Mustang of Cykel' announcement released on 19 January 2024 at 8:00am under RNS No 2911A:

In accordance with Rule 2.6(a) of the Code, Mustang must, by not later than 5.00pm (London time) on 16 February 2024, either announce a firm intention to make an offer, subject to conditions or pre-conditions if relevant, for Cykel in accordance with Rule 2.7 of the Code or announce that Mustang does not intend to make an offer for Cykel, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies.'

All other details remain unchanged.

The full amended text is shown below Mustang Energy PLC (**Mustang** or **MUST**) and Cykel AI plc (**Cykel**) are pleased to announce that they have entered into a non-binding heads of terms for Mustang to acquire the entire issued share capital of Cykel, a company incorporated in England and Wales which is listed on the Aquis Stock Exchange Growth Market (AQSE: CYK), on the basis of 1.844 new Mustang share for each Cykel share. This ratio has been calculated on the basis of a valuation of £1,000,000 of MUST, and a valuation of Cykel at c £19.22 million based on a ten day volume weighted average price (VWAP) up to 7 November 2023, being the date of the non-binding head of terms (**Proposed Acquisition**).

A draft prospectus has been filed with the Financial Conduct Authority (**FCA**) and it is in the FCA review process. It is currently expected that should the Proposed Acquisition proceed to completion, subject to FCA approval the prospectus will be published during Q2 2024.

Subject to completion of the Proposed Acquisition, Mustang is seeking to rely upon the transitional provisions made by the changes to the Listing Rules by the FCA (effective as of 3 December 2021), and is not required to have a minimum market capitalisation of £30 million.

The Proposed Acquisition

The Proposed Acquisition, if completed, will constitute a reverse takeover under the Listing Rules since it will, *inter alia*, result in a fundamental change in the business of Mustang. The Proposed Acquisition will be governed by the Code and it will be effected by means of a court-approved scheme of arrangement under Part 26 of the Companies Act.

The Proposed Acquisition if made is conditional upon satisfaction or waiver (where relevant) of certain conditions, including the satisfactory completion by each of the parties of financial, legal and commercial due diligence.

It will also be conditional on:

- a scheme of arrangement being approved by the requisite percentage of Cykel’s shareholders and being sanctioned by the High Court of Justice in England and Wales;
- each of Mustang and Cykel obtaining the necessary shareholder, third-party and regulatory approvals;
- publication of a prospectus and readmission of the enlarged share capital of Mustang to listing on the standard listing segment of the Official List of the FCA and to trading on London Stock Exchange plc’s main market for listed securities (**Admission**); and
- concurrent with Admission, the de-listing of Cykel’s shares from the Access Segment of the Aquis Stock Exchange Growth Market.

There can be no certainty that an offer will ultimately be made for Cykel even if the pre-conditions referred to above are satisfied or waived. A further announcement will be made in due course.

Following this announcement, Cykel is now considered to be in an "offer period" as defined in the Code, and the dealing disclosure requirements listed below will apply. In accordance with Rule 2.6(a) of the Code, Mustang must, by not later than 5.00pm (London time) on 16 February 2024, either announce a firm intention to make an offer, subject to conditions or pre-conditions if relevant, for Cykel in accordance with Rule 2.7 of the Code or announce that Mustang does not intend to make an offer for Cykel, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

This announcement has been made with the consent of both Mustang and Cykel.

The individuals responsible for releasing this announcement are Dean Gallegos (Mustang) and Nicholas Lyth (Cykel).

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Capital Plus Partners Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Cykel and no one else in connection with the matters set out in this announcement and will not be responsible to anyone other than Cykel for providing the protections afforded to clients of Capital Plus Partners Limited or for giving advice in relation to such matters.

Mustang LEI Number: 213800QEO6L6JAS62H02

Cykel LEI Number: 9845003CB9FEA73A3E09

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 securities exchange 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 securities exchange 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 securities exchange 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 securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange 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 securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange 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 securities exchange offeror(s), 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 securities exchange 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.

Relevant securities in issue

In accordance with Rule 2.9 of the Code:

- Mustang confirms that, as at the date of this announcement, it had 12,161,966 ordinary shares of 0.1 pence each in issue. The ISIN reference number for these securities is GB00BJ9MHH56.
- Cykel confirms that, as at the date of this announcement, it had 205,183,350 ordinary shares of 0.1 pence each in issue. The ISIN reference number for these securities is GB00BPTJZN05.

Website publication

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at Mustang's website, www.mustangplc.com, and Cykel's website, www.cykel.ai, by no later than 12 noon (London time) on 22 January 2024. The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement.