



FOR IMMEDIATE RELEASE

29 June 2021

CAIRN ENERGY PLC (“Cairn”)

Publication of Circular and notice of General Meeting: proposed acquisition of Western Desert interests, Arab Republic of Egypt

Cairn will publish a shareholder Circular (the “Circular”) later today relating to the proposed acquisition of production, development and exploration interests in the Western Desert, the Arab Republic of Egypt, from Shell Egypt NV and Shell Austria GmbH (“Shell”), following approval of the Circular from the Financial Conduct Authority.

On 9 March 2021, Cairn announced, together with Cheiron (its consortium partner), the proposed acquisition of Shell’s Western Desert assets for a purchase price of US\$646 million (US\$323 million net to Cairn), with additional contingent consideration of up to US\$280 million (US\$140 million net to Cairn) if certain requirements are met. The proposed acquisition is in line with Cairn’s strategy of seeking to grow, diversify and extend its production base. The portfolio offers low cost production, near-term development and exploration potential, provides immediate operating cashflow contribution and adjusts Cairn’s overall hydrocarbon split towards gas. Under the UK Listing Rules, the transaction constitutes a Class 1 transaction and is therefore conditional on the approval of Cairn’s shareholders, by a simple majority of votes cast. The transaction is also conditional, inter alia, on the approval of the Minister of Petroleum and Mineral Resources in The Arab Republic of Egypt and the Egyptian General Petroleum Corporation (EGPC).

The Circular contains further details on the transaction and a notice convening a General Meeting of Cairn to be held at 50 Lothian Road, Edinburgh EH3 9BY at 9 a.m. (BST) on 19 July 2021 (“the General Meeting”) to consider and approve the transaction. Restrictions on Shareholder attendance are noted below. Shareholders are strongly encouraged to ensure that their votes are counted at the General Meeting by appointing the Chair of the General Meeting as their proxy.

The expected timetable of principal events in relation to the General Meeting is as follows:

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| Announcement of the Acquisition | 9 March 2021 |
| Publication of Circular (including the Notice of General Meeting) and the Form of Proxy and despatch to Shareholders | 29 June 2021 |
| Latest time and date for receipt of Forms of Proxy or electronic proxy appointments or completion and transmission of CREST Proxy Instructions | 9 a.m. (BST) on 15 July 2021 |
| General Meeting | 9 a.m. (BST) on 19 July 2021 |
| Expected date of Completion | Q3 2021 |
| Long stop date for completion of the Acquisition | 8 March 2022 |

Availability of the Circular

The Circular will shortly be submitted to the FCA's National Storage Mechanism and will be available for inspection on its website at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

The Circular will also be available for viewing later today at www.cairnenergy.com/presentations.

General Meeting

In light of the ongoing COVID-19 pandemic and the UK and Scottish legislation and government guidance currently in force as a consequence of the pandemic, there remain in force significant restrictions on public gatherings. Further information on the arrangements for the General Meeting are set out in Part I of the Circular.

Much of Scotland (including Edinburgh) is in protection level 2 (as at the Last Practicable Date). This means that Cairn is able to facilitate the attendance of Shareholders in person at the General Meeting. However, the continuing application of social distancing and other safety requirements mean that only a very limited number of Shareholders will be able to attend at the venue for the General Meeting. The Board therefore strongly encourages Shareholders not to attend the General Meeting in person and instead be represented by the Chair of the meeting acting as their proxy.

Should any Shareholders wish to attend in person, Cairn will give preference to those who pre-register, in order of time of registration and, to the extent that there are any remaining spaces, Cairn will try to accommodate any Shareholders who have not pre-registered, on a first-come first-served basis on the day, subject to social distancing and other safety requirements. Shareholders should pre-register their intention to attend the General Meeting by emailing IR.Mailbox@cairnenergy.com. Pre-registration for the General Meeting will close when the capacity limit has been reached or if earlier at 9am (BST) on 15 July 2021.

If more Shareholders seek to attend the General Meeting than the capacity of the venue allows, Cairn will have to refuse entry to any additional Shareholders once that capacity has been reached to avoid being in breach of the law. Shareholders are therefore requested not to attend the General Meeting without pre-registering and receiving confirmation of their place, as admission on the day cannot be guaranteed. Shareholders are responsible for understanding and complying with the restrictions applicable to their own journey and should bear in mind that rules may differ between different parts of the UK.

The health and wellbeing of our Shareholders and employees remains the Board's primary concern. It is essential to remain vigilant notwithstanding the ongoing UK vaccination programme, particularly given the spread of new variants in the UK and other parts of the world. As such, and as previously noted, the Board strongly encourages Shareholders not to attend the General Meeting in person and instead be represented by the Chair of the meeting acting as their proxy.

The Company is continuing to monitor the situation and to review arrangements for the General Meeting in light of prevailing government guidance. In the event of further lifting or relaxation of measures or restrictions relating to travel and public gatherings before the date of the General Meeting, Cairn will consider if it is appropriate, safe and legally permissible to open up the General Meeting for attendance by more Shareholders. If this is the case, an update will be given on Cairn's website (www.cairnenergy.com/investors/) and by separate announcement through the regulatory news service of the London Stock Exchange. Shareholders should monitor the Company's website to ensure they are aware of any updates.

The Board remains committed to allowing Shareholders the opportunity to engage with the Board. If Shareholders have any questions for the Board in advance of the General Meeting, these can be sent by e-mail to IR.Mailbox@cairnenergy.com. The Board will endeavour to answer key themes of these questions on the Company's website as soon as practical.

The definitions referenced in this announcement have the same meaning as given in the Circular published today, unless otherwise stated.

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About Cairn Energy PLC

Cairn is one of Europe's leading independent energy companies and has been listed on the London Stock Exchange for 30 years. Cairn has explored, discovered, developed and produced oil and gas in a variety of locations throughout the world as an operator and partner in all stages of the oil and gas lifecycle.

Cairn's exploration activities have a geographical focus in the North Sea, West Africa and Latin America, underpinned by interests in production and development assets. Cairn has its headquarters in Edinburgh, Scotland supported by operational offices in London and Mexico.

For further information on Cairn please see: www.cairnenergy.com