NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The contents of this letter are not to be construed as legal, financial or tax advice. If you are in any doubt as to the contents of this letter or the action which you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, solicitor, accountant, bank manager or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if you are not so resident, from another appropriately authorised independent financial adviser.

This letter should be read in conjunction with the scheme circular to shareholders of Pharos Energy PLC (**Pharos**) dated 21 July 2026 (the **Scheme Document**) which contains further details of the Acquisition and the Scheme (each as defined below) referred to in this letter. The Scheme Document is available to view and download on Pharos's website at www.pharos.energy/investors/offer-for-pharos-energy/. Words and expressions defined in the Scheme Document have the same meaning in this letter unless the context otherwise requires.

Pharos Energy PLC

(a public limited company limited by shares incorporated in England and Wales with registered number 03300821)

Registered Office:

27/28 Eastcastle Street, London, United Kingdom, W1W 8DH

To: Participants holding options (**Options**) under the Pharos Energy PLC 2009 Discretionary Share Option Plan (**DSOP**).

21 July 2026

Dear Participant,

RECOMMENDED CASH ACQUISITION OF PHAROS BY RATIO PETROLEUM ENERGY LP (RATIO): EFFECT ON YOUR OPTIONS UNDER THE DSOP

On 24 June 2026, the boards of Pharos and Ratio announced that they had reached agreement on the terms of a recommended cash offer by Ratio for the entire issued and to be issued share capital of Pharos (the **Acquisition**). The Acquisition is being implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the **Scheme**) which requires the approval of Pharos Shareholders, the sanction of the Court and the satisfaction of certain Conditions. The Acquisition, the Scheme and the Conditions are described in more detail in the Scheme Document.

If the Scheme becomes Effective, Pharos Shareholders whose shares are subject to the Scheme will receive, for each Pharos Share they hold:

- 23.0683 pence in cash per Pharos Share;

- 4.0 pence in cash per Pharos Share by way of special dividend to be paid from Pharos' existing cash resources that the board of directors of Pharos intends to declare prior to completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, the cash consideration due to Pharos Shareholders under the terms of the Acquisition.

If you want to read more about the Acquisition and the Scheme, please refer to the Scheme Document which is available at www.pharos.energy/investors/offer-for-pharos-energy/.

Please note that this letter is for information only. You do not need to take any action in relation to the Options covered by this letter.

1. **Why are we writing to you?**

You are receiving this letter because you hold one or more Options granted under the DSOP on 26 April 2018 and 7 March 2019 with an exercise price of 99.50 pence (for 2018 Options) and 68.90 pence (for 2019 Options).

2. **What would happen if you exercised your Options and participated in the Acquisition?**

You would have to pay more to exercise your Options than the value you would receive under the terms of the Acquisition for the Pharos Shares acquired on exercise. Consequently, regardless of whether your Options are currently exercisable or become exercisable as a result of the Acquisition, if you were to exercise your Options and participate in the Acquisition, you would make a loss.

As a result, based on the cash consideration price of 23.0683 pence per Pharos Share and 4 pence per Pharos Share (by way of a special dividend) under the terms of the Acquisition, the exercise of your Options is not recommended.

If, however, you still want to exercise your Options before the Acquisition occurs, you should contact the Company Secretary, Tony Hunter, by email at CoSec@pharos.energy.

Please note also that if the Acquisition completes, your unexercised Options will lapse four weeks after the Court sanctions the Scheme and you will no longer have any right or entitlement to receive Pharos Shares or any compensation in connection with your Options.

3. **What if the Acquisition does not complete?**

If the Acquisition does not complete for whatever reason, your Options will continue as normal in accordance with the rules or other terms of the DSOP.

4. **What if you participate in any other Pharos Share Plans or own any Pharos Shares?**

This letter does not apply to any options or awards over (or in relation to) Pharos Shares which have been granted to you by Pharos under any share incentive plans or arrangements other than the DSOP, nor to any Pharos Shares you already own (either as a result of the receipt of Pharos Shares under Pharos employee share schemes or otherwise). You will receive a separate letter in relation to such other options or awards, and you should refer to the Scheme Document in relation to any other Pharos Shares that you own.

Yours sincerely

Katherine Roe

CEO

Pharos Energy PLC

Notes:

(i) If there is any conflict between this letter and the terms of the Options or any applicable legislation, the terms of the Options and/or any applicable legislation will take precedence.

(ii) The Pharos Directors, whose names are set out in paragraph 2.1 of Part 7 of the Scheme Document, accept responsibility for the information contained in this letter, including expressions of opinion. To the best of the knowledge and belief of the Pharos Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

(iii) Nothing in this letter will be construed as investment advice or any investment recommendation given by Pharos or Ratio.

(iv) Accidental omission to despatch this letter to, or any failure to receive the same by, any person to whom it is applicable, will not invalidate its contents in any way.

(v) Receipt of documents will not be acknowledged. All documents sent by or to an Option holder will be sent at the individual's own risk. If an Option holder has received this letter in electronic form, they may request that copies of those documents be sent to them in hard copy form and that all future documents be sent to them in hard copy form. Requests should be submitted to Pharos's registrar, Equiniti, at Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 6DA or by calling them on +44 (0)371 384 2050 during business hours (lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Equiniti cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

(vi) This letter will be governed by and construed in accordance with English law.

(vii) A copy of this letter will be available to view on Pharos's website at www.pharos.energy/investors/offer-for-pharos-energy/.

(viii) The release, publication or distribution of this letter and any accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

(ix) Neither this letter nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.