

26 September 2016 - Revision to Baron Oil option

InfraStrata plc (AIM:INFA), announces that it has agreed to a modification of the option held by Baron Oil Plc (“Baron”) to acquire equity in Islandmagee Storage Limited (“IMSL”), the gas storage development company owned 90% by the Company.

On 19 August 2016, the Company announced that it had repaid a loan from Baron and had amended the option which accompanied the loan from Baron, so that Baron had an option to acquire a 15% interest in IMSL for a payment of £1,536,498 until 31 March 2017. This option has been revised, so that Baron now has an option to acquire the number of ordinary shares of 1p in InfraStrata that represents 16.666% of the enlarged ordinary share capital of InfraStrata (from time to time) for a payment of £1,536,498, until 31 March 2017. Exercise of the option in full is conditional on InfraStrata having the requisite authorities under the Companies Act 2006 to issue new ordinary shares in the Company, which will be sought at the Company’s next general meeting of shareholders (or earlier if required).

This is part of an ongoing programme of re-structuring of the Company, as it seeks to focus entirely on the Islandmagee gas storage project. This also follows the Company’s announcement on 13 September 2016 that it had increased its interest in IMSL to 90%.

The Directors of InfraStrata have also decided to divest the Company’s remaining oil and gas exploration interests and intend to commence a process to achieve this shortly.

Following these changes, InfraStrata will also seek a re-classification of the Company’s sector classification. It is proposed to reclassify the Company to the Utility sector 7573 Gas Distribution. If the Industry Classification Benchmark approves this re-classification, then the change is anticipated to be implemented in December 2016.

Commenting, Andrew Hindle, CEO of InfraStrata said:

“The amendment to Baron’s option and the other proposals announced today are important aspects of InfraStrata’s transition to the only AIM-quoted company entirely focused on gas storage and we will be reviewing our management and technical requirements to ensure that all resources will be entirely dedicated to development of the project. ”

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