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For Immediate Release

9 June 2011

3Legs Resources plc

Announcement of Offer Price of 190 pence per share

3Legs Resources plc (the "**Company**"), a company focussed on the exploration and development of unconventional oil and gas resources with a particular focus on shale gas in Europe, today announces the pricing of the initial public offering of its Ordinary Shares on the AIM market of the London Stock Exchange (the "**Offer**").

- The Offer price has been set at 190 pence per Ordinary Share (the "**Offer Price**").
- Based on the Offer Price, the total market capitalisation at the commencement of conditional dealings will be approximately £161.1 million.
- The Offer comprises the sale of 32,894,736 new Ordinary Shares to be issued by the Company and 7,736,764 existing Ordinary Shares (prior to the exercise of the Over-allotment Option) to be sold by certain selling shareholders (the "**Selling Shareholders**"), which together represent approximately 47.9 per cent. of the total of 84,782,544 Ordinary Shares which will be in issue at Admission (the "**Offer Shares**").
- At the Offer Price, the Company expects to raise gross proceeds of £62.5 million and the Selling Shareholders expect to raise gross proceeds of £14.7 million (prior to the exercise of the Over-allotment Option), making an expected total Offer size of £77.2 million.
- Immediately following the Offer and Admission, 84,782,544 Ordinary Shares will be in issue.
- Jefferies International Limited, as Stabilisation Manager, has been granted an Over-allotment Option by certain of the Company's significant shareholders over up to 4,404,552 Ordinary Shares, representing 10.8 per cent. of the Ordinary Shares comprised in the Offer. The Over-allotment Option is exercisable for a period of 30 calendar days from today.
- Conditional dealings are expected to commence on the London Stock Exchange at 8.00 am today under the ticker symbol 3LEG. Admission to trading on AIM, a market operated by the London Stock Exchange and unconditional dealings are expected to commence at 8.00 a.m. on 14 June 2011.
- Immediately following Admission, the direct and indirect interests of the major shareholders in the issued share capital of the Company (who held Ordinary Shares immediately prior to Admission) will be as follows:

	Ordinary Shares immediately following Admission (assuming no exercise of the Over-allotment Option)		Ordinary Shares immediately following Admission (assuming the Over-allotment Option is exercised in full)	
	No.	%	No.	%
Tomuro Limited ¹	10,451,220	12.33	8,709,352	10.27
Caithness Limited ²	8,882,408	10.48	7,402,008	8.73
Kamlesh Parmar ³	3,598,852	4.24	3,398,916	4.01
Roy Grainger Williams ⁴	3,551,744	4.19	3,354,428	3.96
Alexander Fraser ⁵	2,518,852	2.97	2,378,916	2.81
Cheviot (Nominees) Limited ⁶	1,800,000	2.12	1,500,000	1.77
Discovery GeoServices Corporation ⁷	1,727,080	2.04	1,631,132	1.92
Richard Michael Harris	1,622,712	1.91	1,532,564	1.81

- (1) William Jeffcock, who is the son of Robert Jeffcock, is the beneficial owner of the Ordinary Shares held by Tomuro Limited.
- (2) Robert Jeffcock is the beneficial owner of the Ordinary Shares held by Caithness Limited.
- (3) Kamlesh Parmar also holds Share Options over 800,000 Ordinary Shares under the 2007 SOP which are not included in the above figures.
- (4) Roy Williams also personally holds an interest in 79,200 Warrants. Roy Williams also holds an interest in 8,400 Warrants, through a connected company, Mustardseed Estates Limited, of which he is a director. Mustardseed Estates Limited also holds 428,000 Ordinary Shares. These interests are not included in the above figures.
- (5) Alexander Fraser also holds Share Options over 800,000 Ordinary Shares under the 2007 SOP which are not included in the above figures.
- (6) Ian McNeil is the beneficial owner of the Ordinary Shares held by Cheviot (Nominees) Limited.
- (7) Michael Lewis, who is chief geologist to, and a consultant of, the Group, is the owner of Discovery GeoServices Corporation.

- Significant Selling Shareholders and the Directors holding in aggregate 40,510,128 Ordinary Shares prior to Admission (prior to any disposal of Ordinary Shares by such Shareholders in the Offer and assuming no exercise of the Over-allotment Option) representing approximately 78.1 per cent. of the Existing Share Capital of the Company are subject to lock-in arrangements for a period of 365 days from Admission. These Significant Shareholders include the senior managers and consultants to the Company and each Shareholder holding more than 2.0 per cent. of the ordinary share capital in issue immediately prior to Admission and prior to any disposal of Ordinary Shares in the Offer. Following the disposal of Ordinary Shares in the Offer (assuming no exercise of the Over-allotment Option) 36,577,392 Ordinary Shares held by the Significant Selling Shareholders and the Directors will be subject to lock-in arrangements.
- Certain other Shareholders holding in aggregate 9,775,572 Ordinary Shares prior to Admission (prior to any disposal of Ordinary Shares by such Shareholders in the Offer) will also be subject to lock-in arrangements during the period commencing on the date of Admission and ending on, the later of, 180 days from Admission or 1 January 2012, representing in aggregate 18.8 per cent. of the Existing Share Capital of the Company. Following the disposal of Ordinary Shares in the Offer, 5,971,544 Ordinary Shares held by such Shareholders will be subject to lock-in arrangements.
- Accordingly, in aggregate, 42,548,936 Ordinary Shares will be subject to lock-in arrangements (following the disposals of Ordinary Shares in the Offer and assuming no exercise of the Over-allotment Option).

- Immediately following Admission, it is expected that 41.9 per cent. of the Company's Enlarged Share Capital will be held in public hands, excluding Ordinary Shares subject to lock-in arrangements and other Shares held by holders of 10 per cent. or more of the Enlarged Share Capital (including institutional investors participating in the Offer).

Copies of the Admission Document will be available on the Company's website at www.3legsresources.com.

Jefferies International Limited is acting as Sole Global Coordinator, Sole Bookrunner and as Nominated Adviser to the Company.

Commenting on today's announcement, **Tim Eggar, Chairman** of 3Legs Resources plc, said:

"3Legs and its management team are delighted that the Company has successfully completed its IPO and raised £62.5 million. We look forward to demonstrating the commercial potential of our Baltic Basin concessions as well as progressing the development of our other European acreage. I am delighted to welcome a range of blue chip investors to our share register; their support in our successful fundraising is testament to the value of the opportunity we have secured. I would also like to thank our existing shareholders for their support, both before and during the IPO process."

Peter Clutterbuck, Chief Executive Officer of 3Legs Resources plc, said:

"We have a significant first mover position with over 1,000,000 gross acres in one of the most sought-after shale basins within the European Union, independently assessed original gas in place (OGIP) of 170 TCF best estimate (on a 100 per cent basis) and a first-class partner for our Baltic Concessions in ConocoPhillips. In addition we have a substantial growth opportunity beyond the Baltic Basin, with over 1,000,000 additional gross acres held across Poland and Germany. I look forward to providing our shareholders with updates on our progress in due course."

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Notes to Editors

3Legs Resources was established in early 2007 to focus on the exploration and development of unconventional oil and gas resources, with a particular focus on shale gas in Europe.

As a first mover in Poland, 3Legs Resources has acquired six exploration and prospecting licences covering approximately 1,084,000 acres (gross) in the onshore Baltic Basin, a region considered to be one of the most

promising shale basins in Europe. The Company's primary targets in the Baltic Basin are Silurian and Ordovician organic-rich black shales.

In addition to these assets, the Company also holds onshore exploration licences over acreage near Krakow in southern Poland and in Baden-Württemberg in south-west Germany, with two further licences under application in France.

In August 2009, the Company entered into various agreements with ConocoPhillips. These agreements committed ConocoPhillips to provide financing for initial exploration activities in the Baltic Concessions. ConocoPhillips committed to fund 100 per cent of the costs of an exploration programme in the Baltic Concessions, consisting of 3D seismic surveys and up to three wells in return for an option to acquire a 70 per cent interest in the Baltic Concessions.

To date, 3 Legs and ConocoPhillips have completed three seismic surveys and drilled two vertical test wells. The fundraising will be used to pay for drilling commitments primarily in the Baltic Basin in Poland.

Capitalised terms used in this announcement have the meanings given to them in the Admission Document.

This announcement has not been approved by the London Stock Exchange plc or the Financial Services Authority. This announcement does not constitute or form part of any offer or invitation to sell, allot or issue, or any solicitation of or inducement to enter into any offer to purchase or subscribe for, any Offer Shares, nor shall it (or any part of it) or the fact of its distribution form the basis of, or be relied upon in connection with any contract therefore. Recipients of the Admission Document or this announcement who intend to subscribe for or purchase Offer Shares in the Offer are reminded that any such subscription or purchase may only be made solely on the basis of the information relating to the Company contained in the Admission Document, and any supplementary admission document, which may be different from the information contained in this announcement. No reliance may be placed for any purpose whatsoever on the completeness, accuracy or fairness of the information or opinions contained in this announcement.

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Persons reading this announcement should note that the Nominated Adviser, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is advising the Company and no one else in relation to the Offer and Admission, and will not be responsible to anyone other than the Company for providing the protections afforded to customers of the Nominated Adviser nor for providing advice to any person other than the Company in relation to this announcement, the Offer and Admission. The Nominated Adviser's responsibilities as the Company's Nominated Adviser under the AIM Rules for Nominated Advisers will be owed solely to the London Stock Exchange plc and not to the Company, to any of its directors or any other person in respect of a decision to subscribe for, purchase or acquire Ordinary Shares in the Company in reliance on this announcement or the Admission Document. The Nominated Adviser has not authorised the contents of, or any part of, this announcement.

The Admission Document and the Offer are only addressed to and directed at persons in member states of the European Economic Area who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) ("**Qualified Investors**") ("**Prospectus Directive**"). In addition, in the United Kingdom, the Admission Document is being distributed to and is directed at (i) Qualified Investors and persons who have professional experience in matters relating to investments falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the "**Order**"), or (ii) who fall within Article 49(2)(a)-(d) of the Order, or (iii) to whom it may otherwise be lawful to distribute it (all such persons together being referred to as "**relevant persons**"). The Admission Document and the

Offer are directed only at relevant persons and must not be acted on or relied upon by persons who are not relevant persons.

This announcement does not contain, constitute or form part of an offer for sale or the solicitation of an offer to purchase securities in the United States. The securities referred to herein (the "**Securities**") have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States absent registration under the Securities Act or an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offering of the Securities will be made in the United States.

This announcement is for information purposes only and does not contain or constitute an offer of Securities to, and subject to certain exemptions, the Securities may not be offered or sold to, any person with a registered address in the United States, Australia, Canada, Japan or South Africa or who is resident in the United States, Australia, Canada, Japan or South Africa. None of the Securities has been or will be registered under the relevant laws of any state, province or territory of the United States, Australia, Canada, Japan or South Africa. Subject to certain limited exceptions, neither the Admission Document nor this announcement will be distributed in or into the United States, Australia, Canada, Japan or South Africa.

In connection with the Offer, Jefferies, acting as the Stabilisation Manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with a view to supporting the market price of the Ordinary Shares at a higher level than that which might otherwise prevail in the open market. The Stabilisation Manager is not required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Ordinary Shares on AIM and ending no later than 30 calendar days thereafter. However, there will be no obligation on the Stabilisation Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Ordinary Shares at above the Offer Price.

In connection with the Offer, the Stabilisation Manager may, for stabilisation purposes, over-allot Ordinary Shares up to a maximum of 15 per cent. of the total number of Ordinary Shares comprised in the Offer. For the purposes of allowing it to cover short positions resulting from any such over-allotments and/or from sales of Ordinary Shares effected by it during the stabilisation period, the Stabilisation Manager will enter into over-allotment arrangements pursuant to which the Stabilisation Manager may purchase or procure purchasers for additional Ordinary Shares up to a maximum of 15 per cent. of the total number of Ordinary Shares comprised in the Offer (the "**Over Allotment Shares**") at the Offer Price. The Over-allotment Option will be exercisable in whole or in part, upon notice by the Stabilisation Manager, at any time on or before the 30th calendar day after the commencement of conditional dealings in the Ordinary Shares on AIM. Any Over Allotment Shares will be purchased on the same terms and conditions as the Ordinary Shares being issued or sold in the Offer and will form a single class for all purposes with the other Ordinary Shares.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.