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Française de l'Energie launches its Initial Public Offering on the regulated market of Euronext in Paris

- **€50m capital increase, which may be raised to a maximum of approximately €66 m if the full extension clause and the overallotment option are exercised including Greenshoe**
- **Subscription commitments totalling €14m from key anchor shareholders as well as new investors, including a leading banking player supporting regional development, Credit Mutuel du Nord Europe**
- **Indicative price range applicable to the public offering and global placement: between €27 and €35,5 per share**
- **Closing of the public offering scheduled June 6, 2016 and the global placement scheduled June 7, 2016 (deadline for setting the offer price)**

Forbach, France, 24/05/2016 – Française de l'Energie (“**Française de l'Energie**” or the “**Company**”) announces today the launch of its Initial Public Offering on the regulated market of Euronext in Paris.

The Autorité des Marchés Financiers (the “**AMF**”) granted visa no. 16-194 on May 23, 2016 for the prospectus relating to the Initial Public Offering of Française de l'Energie, composed of the document de base registered March 14, 2016 under no. I. 16-009, a securities note (note d'opération) and the summary of the prospectus (included in the securities note).

Exploitation of coal bed methane, an ambitious and innovative plan for our territories

Française de l'Energie, designated as a high-tech start-up by Bpifrance since June 2013, has become a key participant in the gas sector in France. Française de l'Energie has identified a previously untapped potential: extraction of gas contained in the coal of the former French coalfields. The Company has certified its first reserves of coal bed methane in the Lorraine basin and is preparing the construction of its first production platform in the region.

In addition, due to the acquisition now underway of the Gazonor Company, income will initially be generated thanks to mine gas production in Nord-Pas-de-Calais. Française de l'Energie intends to accelerate this activity through the transformation of “recovered” gas into green electricity. This optimization of the existing production should enable to cover the operating costs of the Group.

Française de l'Energie Group (including Gazonor and Concorde) (the “**Group**”) has assembled a broad portfolio of research and operating licenses in France, which cover the majority of coal bed methane resources identified in France. These licenses, closely located to the European gas pipeline and transport networks, confer an economic advantage for the exploitation of coal bed methane in heavily gas consuming regions and that are characterised by the densest population of industrial clients in all of Europe.

Following the certification of its gas resources by the BEICIP-Franlab (IFP New Energies), the Group holds the equivalent of almost six times the annual consumption of natural gas in France. The Group intends to develop and produce this high volume of gas over the next 20 years by focusing initially on Lorraine, with the launch of its first

production platform in the next 18 months. The Group's strategy is to replace a part of the imported and consumed gas in France by a high-quality, made in France gas and provide a competitive local energy thanks to local supply circuits.

A significant potential market

France, as the fourth-largest gas market in Europe in terms of consumption, presently imports almost 100% of the gas it needs (primarily from Norway, Russia, the Netherlands, Algeria and Qatar).

Française de l'Énergie intends to develop and produce a competitive 100% French energy. This local gas production offers customers a unique alternative to diversify their supply sources by diminishing geopolitical risk.

The significance of these resources and the quality of its gas make Française de l'Énergie a real pioneer in the energy transition as needs are expected to continue to increase in Europe. According to the Energy 2050 road map of the European Commission, the consumption of gas in Europe should increase by 4.5% between 2014 and 2020, and this trend should continue until at least 2035.

A "new generation" competitive gas with a low environmental footprint

Coal bed methane produced by Française de l'Énergie is an excellent quality, high calorific value gas, composed of 96% methane, while imported gas contains only up to 93%⁽¹⁾. Due to its performance, proximity to infrastructure and competitive cost structure, Française de l'Énergie believes that developing it should be profitable in all market configurations.

The overall carbon balance of coal bed methane production and distribution by Française de l'Énergie is also favourable at about 3.4 g of CO₂ / kWh, or an environmental footprint on average ten times lower than that of imported gas, which stands at approximately 32 g CO₂ / kWh⁽¹⁾.

An energy with a positive socio-economic impact

Large-scale, competitively priced extraction of local gas will help to revitalise former French coalfields where the Company operates by improving the attractiveness of the regions in the eyes of gas consumer industries such as the chemistry, metallurgy, automobile or even food industries.

The objective of Française de l'Énergie is to sign competitive supply contracts with various local partners or regional authorities in order to generate stable sources of income during the period of exploitation.

The impact of gas marketing will also give rise to the creation of jobs in the region.

Strategic Assets

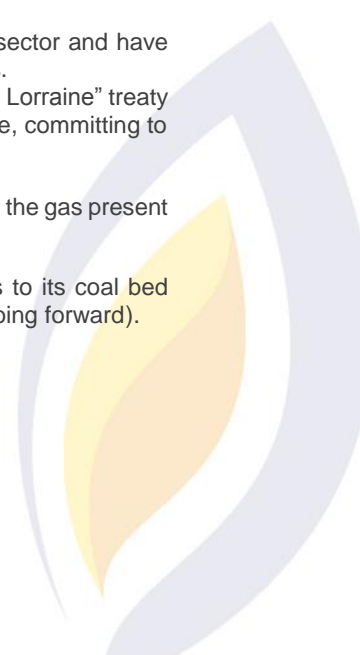
The Group has one of the most experienced technical management teams in the European coal bed methane sectors, boasting skills and know-how in evaluating, developing, exploiting and promoting gas resources.

Française de l'Énergie's management and staff regularly collaborate with recognised experts in the sector and have laid the solid industrial groundwork that affords the Group the support of public and political authorities. This support, which is provided on both national and regional levels, was formalised in the "Etat-Région Lorraine" treaty signed in 2013 by the Prefect, the Prime Minister and the President of the Regional Council of Lorraine, committing to the creation of the Energy Valley in Lorraine.

Française de l'Énergie uses a proven drilling technology to create multiple lateral drains, which captures the gas present in the network of natural coal fissures, thereby avoiding invasive techniques.

In addition, with the acquisition of Gazonor, Française de l'Énergie will have regular income thanks to its coal bed methane production in the Nord-Pas-de-Calais (covering its base SG&A of ca EUR 400k per month going forward).

¹ IFEU Study (Institut Für Energie- und Umweltforschung) February 2016.



A firmly Europe-oriented production strategy

Française de l'Energie is now ready to enter a new stage of its development by strengthening its technical and financial means with a view to putting the Lorraine gas resources into production. The aim of the Company is to have more than 15 production wells in activity in Lorraine by the end of 2018, which would allow it to generate production of more than 700 million m³ over 12 years by the end of 2018. At the same time, Française de l'Energie also intends to enlarge its reserves.

In addition, Française de l'Energie plans to increase its production of coal bed methane in the Nord-Pas-de-Calais and to improve its operating margin on its activities in the region, in particular by taking advantage of the fact that coal bed methane is considered as a "recovered" energy, thus making it eligible for buyback rate guaranteed by the French State. The Group could also equip three of its collection sites with electricity production units by 2017.

Française de l'Energie is mainly based in France at this stage, but in the long term it wishes to develop on a European scale, in close proximity to its local settlements, in particular in Germany and Belgium, and has the ambition to become a gas industry leader in France and in Europe.

Française de l'Energie goes public to:

- Become a key player in the energy sector and produce in the long run 5% of the annual gas consumption in France
- Finance the expenditures of its coal bed methane production activities in Lorraine (subsidised electricity tariff guaranteed over the next 15 years)
- Finance the acquisition of Gazonor in Nord-Pas-de-Calais and the transformation of coal mining methane into electricity (regulatory approval applicable to the mining law was deemed obtained May 23, 2016)

A project already partly-funded, sign of its maturity

Française de l'Energie has significantly reduced the risk of execution of its project thanks to the binding term sheet signed with RGreen Invest to finance, via a debt issuance in three tranches, €60 million of the Group's work program, and in particular some funding needs relating to the monetisation of coal mining methane in subsidised green electricity in Nord-Pas-de-Calais.

This financing proves the confidence of RGreen Invest, one of the most dynamic French players in investments targeting the environment, in the Group's projects.

The development plans in Lorraine and Nord Pas de Calais amount to a total investment ranging from €77 million to €122 million, over the next 3 years. The financing of RGreen Invest will provide a significant portion of these capital needs, the balance coming from cash flows generated by Gazonor from 2016 onwards and other sources of funding such as farm out or prepayments if needed.



Terms of the IPO

Structure of the offering

The offering of Française de l'Énergie shares (the “**Offering**”) will comprise:

- A public offering in France in the form of an open-price offer (“**French Public Offering**”), mainly for individuals; and
- An international offering (the “**International Offering**”) for institutional investors including:
 - A private placement in France; and
 - An international private placement in certain countries including the United States of America under the rule 144A of the *Securities Act* of 1933, as amended (the “*Securities Act*”), and outside the United States of America under the *Regulation S* of the *Securities Act*.

The allocation of the offered shares between the French Public Offering, on the one hand, and the International Offering, on the other hand, will be determined according to the nature and amount of demand.

If the demand within the French Public Offering is sufficient, the number of shares allocated in response to the orders placed in the French Public Offering will at least equal 10% of the total number of shares offered in the Offering after potential exercise of the Extension Option and before potential exercise of the Overallotment Option.

Initial size of the Offering

About €50m, i.e. 1 851 851 new shares (based on the lower limit of the offer's indicative price range) to be issued in the form of a cash capital increase of the Company through a public offering.

Indicative price range

€27 to €35.5 per share.

The price of the shares offered in the French Public Offering will equal the price of the shares offered in the International Offering (the “**Offer Price**”).

The Offer Price may be fixed outside the indicative price range. The indicative price range may be amended at any time up until, and including, the day on which the offer price is fixed. In the event that the upper limit of this range is raised or that the Offer Price is fixed above the upper limit of the range (initial or amended as applicable), the closing date of the French Public Offering will be postponed or a new public subscription period will be opened, as appropriate, so that there are no fewer than two business days between the date of publication of the press release giving notice of this modification and the new French Public Offering closing date. Orders placed in the French Public Offering before publication of the above mentioned press release will remain valid unless they have been specifically revoked before the new French Public Offering closing date.

The Offer Price may be set freely below the lower limit of the indicative price range or the indicative price range may be freely modified downwards (subject to there being no significant impact on the other terms of the Offering).

Extension option

The extension option (the “**Extension Option**”) represents a maximum of 15% of the number of new shares initially offered, or a maximum of 277 777 new shares (based on the lower limit of the indicative price range). The Extension Option may be exercised in whole or in part on one single occasion on June 7, 2016.

Overallotment option

The overallotment option (the “**Overallotment Option**”) represents a maximum of 15% of the number of new shares offered after exercise of the Extension Option, as the case may be, representing up to 319 444 additional new shares (based on the lower limit of the indicative price range). The Overallotment Option may be exercised in whole or in part until July 7, 2016 (included).



Gross proceeds of the Offering

About €50m, which can be increased to around €66m if the Extension Option and the Overallotment Option are exercised in full.

Estimated net proceeds of the Offering

About €46m which can be increased to around €62m if the Extension Option and the Overallotment Option are exercised in full.

Subscription commitments from existing and new shareholders

A number of the Company's existing shareholders as well as new investors have undertaken to place subscription orders for a total amount of €14 million, or around 28% of the gross size of the Offering (excluding exercise of the extension option).

Lock-up commitments from the Company and the shareholders

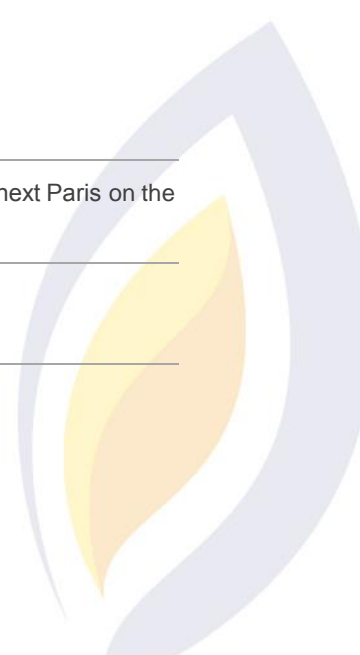
- Commitment of the Company: 180 calendar days standstill
- Commitments of principal shareholders: 360 calendar days, subject to a progressive decrease over time, up to 50% of their stake between 181 and 270 calendar days and up to 75% of their stake between 271 and 360 calendar days.

Eligibility for the PEA-PME regime

The Company's shares are eligible for the PEA and PEA "PME-ETI" regime.

Expected timetable

May 23 2016	<ul style="list-style-type: none">▪ AMF visa on the Prospectus
May 24 2016	<ul style="list-style-type: none">▪ Press Release announcing the Offer and availability of the Prospectus▪ French Public Offering and International Offering open
June 6 2016	<ul style="list-style-type: none">▪ French Public Offering closed at 5.00 p.m. (Paris time) for over-the-counter orders and 8.00 p.m. (Paris time) for Internet orders
June 7 2016	<ul style="list-style-type: none">▪ International Offering closed at 12.00 p.m. (Paris time) (except early close)▪ Determination of the Offer Price for the Offering and exercise of the Extension Option, as the case may be▪ Press release regarding the Offer Price, the final number of shares issued and the results of the Offering▪ Euronext notice of the results of the Offering▪ Underwriting agreement signed▪ Beginning of stabilization period, if any
June 8 2016	<ul style="list-style-type: none">▪ Beginning of conditional trading in the Company's shares on Euronext Paris on the unique quotation line "FRCAISE ENGIE PROM"
June 9 2016	<ul style="list-style-type: none">▪ Settlement and delivery of the Offering



June 10 2016

- Beginning of unconditional trading in the Company's shares on Euronext Paris on the unique quotation line "FRANCAISE ENERGIE"

July 7 2016

- Deadline for exercise of the Overallotment Option
 - End of stabilization period, if any
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Terms of subscription

Anyone wishing to participate in the French Public Offering must place orders through a financial intermediary registered in France, no later than 5.00 p.m. (Paris time) for over-the-counter orders and 8.00 pm (Paris time) for Internet orders on June 6, 2016. To be accepted, orders placed under the International Offering must be received by the Lead Managers and Book runners or Co-Lead Managers no later than 12.00 p.m. (Paris time) on June 7, 2016.

Française de l'Energie codes

- Name: FRANCAISE DE L'ENERGIE
- ISIN code: FR0013030152
- Mnemonic: LFDE
- Section: Compartment B
- Business sector: ICB: 0530 – Oil & Gas Producers
- ICB classification: 0533 – Exploration & Production

Financial intermediaries



Global coordinator, Lead Manager and Bookrunner



Joint Lead Managers



Placement Agent



Information available to the Public - Copies of the prospectus, which received a visa from the AMF on May 23, 2016 under number 16-194, comprising a document de base registered with the AMF on March 14, 2016 under number I. 16-009 (the “**Securities Note**”) and the summary of the Prospectus (contained in the securities note), may be obtained free of charge from La Française de l’Energie, (1 avenue Saint-Rémy, Esp. Pierrard, 57 600 Forbach) as well as from the Company’s (www.francaisedelenergie.fr) and the AMF’s (www.amf-france.org) websites.

Risk factors – Française de l’Energie draws the public’s attention to the business-related risks described in Chapter 4 “Risk Factors” of the *Document de Base* and the offer-related risks described in Chapter 2 “Offer-related Risk Factors” of the *Securities Note*. If all or some of these risks materialise, this could have an adverse effect on the activity, reputation, operating results, financial situation or future prospects of the group. Furthermore, other risks, which were not identified or were not considered relevant by the group at the time the document received its visa from the AMF, could have the same adverse effect.

About Française de l’Energie

Française de l’Energie is a young, innovative company (Bpifrance label) based in Forbach in the Lorraine region of France. Based in the region since 2009, Française de l’Energie is a dynamic SME which employs almost 20 people, and is already a leader in the evaluation of gas resources in France. Française de l’Energie specialises in CBM (Coal Bed Methane), and its experienced technical team has demonstrated the presence of significant gas resources in the coals of former French producing basins. With the production of this new generation energy, which is both clean and strategic, Française de l’Energie is developing an ambitious project based on recognised expertise.

For more information, go to www.francaisedelenergie.fr

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Disclaimer

This press release does not constitute, nor can it be construed as, a public offer or offer to buy or solicit the public's interest in a public offer.

No communication or other information related to this transaction or to Française de l'Energie may be transmitted to the public in a country in which any approval or registration is required. No steps to such end have been taken (or will be taken) by Française de l'Energie in any country in which such steps would be required (other than France). The subscription for or the purchase of Française de l'Energie shares may be subject to specific legal or regulatory restrictions in certain jurisdictions. Française de l'Energie assumes no responsibility for any violation of any such restrictions by any person.

This press release does not constitute a prospectus within the meaning of Directive 2003/71/CE of the European Parliament and Council dated 4 November 2003, as amended, in particular by Directive 2010/73/EU in the case where such Directive was implemented into Law in the member States of the European Economic Area (together, the "Prospectus Directive").

This press release is promotional in nature.

In France, an offer is open to the public only after the delivery by the AMF of a visa. With respect to the member States of the European Economic Area other than France (the "Member States") having implemented the Prospectus Directive into Law, no action has been or will be taken in order to permit a public offer of the securities which would require the publication of a prospectus in one of such Member States. As a result, securities may not and will not be offered in any Member States (other than France), except pursuant to the exemptions set forth in Article 3(2) of the Prospectus Directive, if such exemptions have been implemented into Law in the Member State(s) in question or in other cases not requiring Française de l'Energie to publish a prospectus under the Prospectus Directive and/or regulations applicable in these Member States.

Any shares sold in the United States will be sold only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act of 1933, as amended) pursuant to Rule 144A.

This press release was not disseminated or approved by an "authorised person" within the meaning of Section 21 of the Financial Services and Markets Act 2000. As a result, this press release is directed at and intended for only (i) persons outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (iii) persons listed in Article 49(2) (a) to (d) (high net worth companies, unregistered associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or (iv) to any other person to whom this press release may be directed by Law (persons mentioned in paragraphs (i), (ii), (iii), and (iv), together referred to as "Relevant Persons"). The shares of Française de l'Energie described herein are available only to Relevant Persons, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire Française de l'Energie securities will be addressed to and engaged in only with Relevant Persons. Any person who is not a Relevant Person must not act or rely on this document or any of the information it contains. This press release does not constitute a prospectus approved by the Financial Services Authority or any other regulatory authority in the United Kingdom within the meaning of Section 85 of the Financial Services and Markets Act 2000.

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The release of this press release in certain jurisdictions may constitute a violation of applicable laws. The information contained in this press release does not constitute an offer of securities in Canada, Australia or Japan. This press release must not be directly published, transmitted or distributed in the territory of the United States, Canada, Australia or Japan.



For a period of 30 days from the date the Offer Price is made public (i.e., according to the indicative timetable until July 7, 2016, inclusive), Société Générale, as stabilisation agent, pursuant to applicable laws and regulations, specifically Regulation No. 2273/2003 of the European Commission of 22 December 2003 governing terms for applying Directive 2003/06/EC of the European Parliament and the Council of 28 January 2003 on insider dealing and market manipulations, may (but is not required to do so) undertake stabilisation operations in order to stabilise or sustain the price of the Company's shares in the Euronext Paris regulated market. Pursuant to Article 10-1 of regulation (EC) 2273/03 of 22 December 2003, stabilisation operations may not be performed at a price that exceeds the offer price. Such interventions are liable to affect the share price and may result in a market price above that which would otherwise have prevailed. Even if stabilisation operations are performed, Société Générale may decide to interrupt such operations at any time. The relevant market authorities and the public will receive information pursuant to Article 9 of the aforementioned regulation. In accordance with the provisions of Article 11 b) of the aforementioned regulation, Société Générale, acting on behalf of the institutions underwriting the Offer, may, if needed, undertake overallocments in connection with the Offer up to the number of shares covered by the overallocation option, plus 5% of the Offer as applicable (excluding exercise of the overallocation options).

