

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): March 30, 2021 (March 29, 2021)

Evolution Petroleum Corporation

(Exact name of registrant as specified in its charter)

001-32942

(Commission File Number)

Nevada

(State or Other Jurisdiction of Incorporation)

41-1781991

(I.R.S. Employer Identification No.)

1155 Dairy Ashford Road, Suite 425, Houston, Texas

(Address of Principal Executive Offices)

77079

(Zip Code)

(713) 935-0122

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
Common Stock, \$0.001 par value	EPM	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On March 29, 2021, Evolution Petroleum Corporation (the "Company") entered into a Purchase and Sale Agreement ("PSA") with TG Barnett Resources, LP ("TGBR"), a wholly owned subsidiary of Tokyo Gas Americas, Ltd. Pursuant to the PSA, the Company will acquire from TGBR a non-operating working interest in certain of its Barnett Shale properties for a purchase price of approximately \$23.25 million in cash (the "Purchase Price"). Contemporaneous with the execution of the PSA, the Company paid TGBR a deposit of \$2.325 million. The Company expects to fund the balance of the Purchase Price with a combination of borrowing under its senior secured credit facility and cash on hand.

The effective date of the acquisition is January 1, 2021 and the transaction is expected to close on April 30, 2021. The transaction is subject to customary closing conditions. The PSA contains customary representations and warranties, covenants, indemnification, and termination provisions and also provides for various purchase price adjustments to be calculated as of the closing date.

The foregoing description of the PSA and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the PSA, which will be filed as an exhibit to the Company's Current Report on Form 8-K that will be filed in connection with the consummation of the transaction.

There is no assurance that the Company will complete this acquisition on the terms contemplated in this Current Report on Form 8-K or at all.

Cautionary Statement

This Current Report on Form 8-K contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical facts, included in this Current Report on Form 8-K that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of its business. These forward-looking statements are subject to a number of risks and uncertainties, most of which are difficult to predict and many of which are beyond its control, including the completion of the proposed transaction on the terms or timeline currently contemplated or at all. Please read the Company's filings with the Securities and Exchange Commission, including "Risk Factors" in its Annual Report on Form 10-K for the year ended June 30, 2020, for a discussion of risks and uncertainties that could cause actual results to differ from those in such forward-looking statements. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "plan," "expect," "indicate" and similar expressions are intended to identify forward-looking statements. All statements other than statements of current or historical fact contained in this Current Report on Form 8-K are forward-looking statements. Although the Company believes that the forward-looking statements contained in this Current Report on Form 8-K are based upon reasonable assumptions, the forward-looking events and circumstances discussed in this press release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

Item 7.01 Regulation FD Disclosure.

On March 30, 2021, the Company issued a press release disclosing the PSA. A copy of the press release is included herewith as [Exhibit 99.1](#) and the information in the press release is incorporated by reference into this Item 7.01.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Evolution Petroleum Corporation Press Release dated March 30, 2021

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Evolution Petroleum Corporation
(Registrant)

Date: March 31, 2021

By: /s/ RYAN STASH
Name: Ryan Stash
Title: Senior Vice President, Chief Financial Officer
and Treasurer

Evolution Petroleum Announces Acquisition of Non-operated Oil and Gas Assets in the Barnett Shale
Increases Scale With Long-life Gas and Liquids Reserves While Maintaining Balance Sheet Strength
Supports the Company's Fundamental Dividend Strategy

HOUSTON, TX / ACCESSWIRE / March 30, 2021 / Evolution Petroleum (NYSE American: EPM) ("Evolution" or the "Company") announced today that it has entered into a definitive agreement to acquire non-operated oil and gas assets in the Barnett Shale (the "Transaction") from TG Barnett Resources, LP ("TGBR"), a wholly owned subsidiary of Tokyo Gas Americas, Ltd. ("Tokyo Gas"). The purchase price of the Transaction is \$23.25 million in cash, subject to customary purchase price adjustments and closing conditions, with an effective date of January 1, 2021 and an expected closing date in April 2021.

Acquisition Highlights

- Substantial addition of natural gas and liquids production and reserves in a mature Texas basin which complements the Company's current non-operated holdings in the low decline oil producing Delhi field in North Louisiana and Hamilton Dome field in Wyoming
- Current net production of approximately 22.0 MMcf/d of natural gas and 1.3 MBbls/d of liquids
- Approximately 70 Bcf of natural gas and 5 MMBbls of liquids proved developed producing ("PDP") reserves based on the seller's December 31, 2020 Netherland Sewell reserve report using weighted average prices of \$51.41/Bbl for oil and \$2.74/Mcf for natural gas
- Low decline rate (< 10%), long-lived PDP asset with reserves-to-production of over 9 years to support dividend coverage
- Average 17% Working Interest ("WI") and 14% Revenue Interest ("RI"), reflecting a relatively low royalty burden
- Requires no material additional general and administrative ("G&A") expenses

Management Comments

"We are extremely pleased to be acquiring high quality producing assets in Texas and feel the Barnett Shale fits perfectly into our portfolio of long-lived, low-decline assets." said Jason Brown, President and CEO. "This acquisition significantly adds to our overall production and reserves, representing a material step in growing our business without adding incremental G&A expenses. As I indicated on previous earnings calls, there are many attributes we like about the long-life characteristics of natural gas in certain basins that have stable regulatory environments and access to premium gas markets. We have been following the Barnett and have seen significant improvement in the midstream infrastructure costs over the past 18 months. In addition, many operators have successfully transitioned from a WAHA price basis to an East Texas or Houston Ship Channel basis which has both lowered and stabilized the differential leading to improved realized prices. These two factors along with the maturity of the basin, demonstrated by relative low production declines, makes the Barnett a complementary addition to support our long-term business strategy. We think in terms of economic value when it comes to production and reserves because our focus is on cashflow that will support our dividend. As described in the related investor presentation, the 70% of the acquired production being gas and 30% being liquids are equivalent to an approximate 75% increase to current production and PDP reserves based on economic value. The acquisition further diversifies our asset portfolio, reduces volatility risk, and improves the sustainability and support of our dividend. We have appreciated the support and patience of our shareholders during this past year and feel this is an important step in gaining both size and scale to create long-term value."

Asset Details

The asset footprint consists of approximately 23,000 net acres held by production across 9 counties in the Barnett Shale basin of North Texas. The acreage has an average WI of 17% with a 14% average RI. Blackbeard Operating, LLC, an NGP portfolio company, is the current operator for the majority of the properties. Most of the wells were completed from 2007-2010, which led to the current low decline production profile. On average, the commodity mix is 30% natural gas liquids and 70% natural gas. These properties have potential upside drilling and workover opportunities that Evolution could participate in to support current production.

Transaction Consideration and Capital Available

Evolution plans to fund a substantial portion of the transaction with cash on hand, plus modest borrowings under the Company's existing bank facility. As of December 31, 2020, the Company had \$19 million in cash on hand and had no borrowings under its credit facility with MidFirst Bank.

Investor Presentation

Evolution has posted a presentation highlighting the merits of this transaction on the Company's website: www.evolutionpetroleum.com.

About Evolution Petroleum

Evolution Petroleum Corporation is an oil and gas company focused on delivering a sustainable dividend yield to its shareholders through the ownership, management, and development of producing oil and gas properties onshore in the United States. The Company's long-term goal is to build a diversified portfolio of oil and gas assets primarily through acquisition, while seeking opportunities to maintain and increase production through selective development, production enhancement and other exploitation efforts on its properties. Our largest assets are our interest in a CO₂ enhanced oil recovery project in Louisiana's Delhi field and our interest in a secondary recovery project in Wyoming's Hamilton Dome field. Additional information, including the Company's annual report on Form 10-K and its quarterly reports on Form 10-Q, is available on its website at <http://www.EvolutionPetroleum.com>.

Cautionary Statement

All forward-looking statements contained in this press release regarding current expectations, potential results and future plans and objectives of the Company involve a wide range of risks and uncertainties. Statements herein using words such as "believe," "expect," "plans," "outlook," "should," "will," and words of similar meaning are forward-looking statements. Although our expectations are based on business, engineering, geological, financial, and operating assumptions that we believe to be reasonable, many factors could cause actual results to differ materially from our expectations and we can give no assurance that our goals will be achieved. These factors and others are detailed under the heading "Risk Factors" and elsewhere in our periodic documents filed with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statement.

Company Contacts:

Jason Brown, President & CEO

Ryan Stash, SVP & CFO

(713) 935-0122

JBrown@evolutionpetroleum.com

RStash@evolutionpetroleum.com