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Neither the Arranger nor any of its affiliates accepts any responsibility whatsoever for the contents of the Offering Circular or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or the offer. The Arranger and its affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of the Offering Circular or any such statement. No representation or warranty express or implied, is made by the Arranger or its affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in the Offering Circular.

The Arranger is acting exclusively for the Issuer and no one else in connection with the offer. The Arranger will not regard any other person (whether or not a recipient of the Offering Circular) as its client in relation to the offer and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor for giving advice in relation to the offer or any transaction or arrangement referred to herein.

OFFERING CIRCULAR DATED 13 JANUARY 2016



Technology Enhanced Oil plc

(incorporated under the laws of England and Wales with company number 09847538)

U.S.\$6,020,000 6.00 per cent. Mandatory Convertible Bonds due 2022

**Issue Price:
95 per cent.**

Arranger

ISM Capital LLP

Technology Enhanced Oil plc (the “**Issuer**”) accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save for the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by ISM Capital LLP (the “**Arranger**”) or U.S. Bank Trustees Limited (the “**Trustee**”) as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the offer of the U.S.\$6,020,000 6.00 per cent. Mandatory Convertible Bonds due 2022 (the “**Bonds**”). Neither the Arranger nor the Trustee accepts any liability in relation to the information contained in this Offering Circular or any other information provided by the Issuer in connection with the offer of the Bonds or their distribution.

Approval in-principle has been received for the listing of the Bonds on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this Offering Circular. Approval in-principle granted for the listing and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Issuer or the Bonds.

No person is or has been authorised by the Issuer, the Arranger or the Trustee to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the offer of the Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or the Trustee.

Neither this Offering Circular nor any other information supplied in connection with the offer of the Bonds (A) is intended to provide the basis of any credit or other evaluation or (B) should be considered as a recommendation by the Issuer, the Arranger or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the offer of the Bonds should purchase any Bonds. Each investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the offer of the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or the Trustee to any person to subscribe for or to purchase any Bonds in any jurisdiction where such offer or invitation is not permitted by law.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of the Bonds shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offer of the Bonds is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention.

The Bonds have not been nor will they be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States. For a further description of certain restrictions on the offering and sale of the Bonds and on distribution of this Offering Circular, see “*Offering Restrictions*” below.

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should (A) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Offering Circular or any applicable supplement; (B) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio; (C) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor’s currency; (D) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and (E) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds are complex financial instruments. An investment in the Bonds may be considered by investors who are in a position to be able to satisfy themselves that the Bonds would constitute an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Bonds unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact this investment will have on the potential investor’s overall investment portfolio.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer, the Arranger and the Trustee do not represent that this Offering Circular may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Trustee which is intended to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering or sale of Bonds. In

particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Bonds in the United States and the United Kingdom, see “*Offering Restrictions*”.

All references in this Offering Circular to “**U.S.\$**” and “**U.S. dollars**” refer to the lawful currency for the time being of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia (“**U.S.**” and the “**United States**”).

FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain “forward-looking statements”. Statements that are not historical facts, including statements about the Issuer’s and/or their respective directors’ and/or management’s beliefs and expectations are forward-looking statements. Words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “plans”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely”, “estimate” and variations of these words and similar future or conditional expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur, many of which are beyond the Issuer’s control and all of which are based on the Issuer’s current beliefs and expectations about future events. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Issuer or the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer and the Issuer’s present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as at the date of this Offering Circular. Except as required by applicable law or regulation, the Issuer expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Offering Circular to reflect any change in the Issuer’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

INCORPORATION BY REFERENCE

The Articles of Association of the Issuer are incorporated by reference in this Offering Circular. Copies of the Articles of Association of the Issuer are available for inspection at the registered office of the Issuer.

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OVERVIEW

*The following overview refers to certain provisions of the terms and conditions of the Bonds and the Trust Deed and is qualified by the more detailed information contained elsewhere in this Offering Circular. Capitalised terms which are defined in “Terms and Conditions of the Bonds” have the same meaning when used in this overview. References to numbered Conditions are to the terms and conditions of the Bonds (the “**Conditions**”) as set out under “Terms and Conditions of the Bonds”.*

Issuer	Technology Enhanced Oil plc
Arranger	ISM Capital LLP
Trustee	U.S. Bank Trustees Limited
Principal Paying and Conversion Agent	Elavon Financial Services Limited, UK Branch
Issue	U.S.\$6,020,000 6.00 per cent. Mandatory Convertible Bonds due 2022
Issue Date	15 January 2016
Issue Price	95 per cent. of the principal amount of the Bonds
Maturity Date	15 January 2022
Risk Factors	There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Bonds. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Bonds and certain risks relating to the structure of the Bonds. These are set out under “ <i>Risk Factors</i> ”.
Status	The Bonds and Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 2 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer ranking <i>pari passu</i> and rateably, without any preference among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer but, in the event of a winding-up of the Issuer, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
Negative Pledge	So long as any Bond remains outstanding, the Issuer will not, and will not permit any of its Subsidiaries to, create or permit to subsist any Relevant Security upon or with respect to the whole or any part of its undertaking, assets or revenues to secure any existing or future Relevant Indebtedness or any guarantee or indemnity in respect of any Relevant Indebtedness, unless, simultaneously with or prior to the creation of such Relevant Security, either (A) all amounts payable by the Issuer under the Bonds, the Coupons and the

Trust Deed are secured equally and rateably by such Relevant Security to the satisfaction of the Trustee, or (B) such other security, guarantee, indemnity or other arrangement is provided as either (1) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (2) shall be approved by an Extraordinary Resolution of the Bondholders, but excluding Project Finance Indebtedness.

“Relevant Indebtedness” means any present or future indebtedness (whether being principal, interest or other amounts) in the form of, or represented or evidenced by, bonds, notes, depositary receipts, debentures, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash, and which are for the time being, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange and/or quotation system or over-the-counter or by any listing authority or other securities market.

Interest

The Bonds will bear interest from (and including) 15 April 2016 to (but excluding) the Maturity Date at a fixed rate of 6.00 per cent. per annum payable quarterly in arrear in equal instalments on 15 January, 15 April, 15 July and 15 October in each year (each, an **“Interest Payment Date”**), with the first Interest Payment Date falling on 15 July 2016.

Deferral of Interest

The Issuer may elect to defer any interest payment which is otherwise scheduled to be paid on an Interest Payment Date (other than the interest payment which is due on the Maturity Date) (each a **“Deferred Interest Payment”**) for a period of up to 12 months following such Interest Payment Date (the **“Deferral Period”**). The deferral of any interest payment will not constitute a default by the Issuer and will not give Bondholders or the Trustee any right to accelerate the Bonds, unless the applicable Deferral Period has expired.

Notwithstanding the foregoing, the Issuer shall satisfy all Deferred Interest Payments in cash upon the occurrence of the first of the following to occur:

- (i) mandatory conversion of the Bonds on the Maturity Date;
- (ii) redemption of the Bonds as described under “Taxation”;
- (iii) acceleration of the Bonds following an Event of Default;
- (iv) conversion of the Bonds as described under *“Conversion at the Option of the Issuer – Qualifying IPO”*, *“Conversion at the Option of the Issuer – Asset Sale”* and *“Conversion at the Option of the Bondholders”*

below; and

- (v) in relation to any Deferred Interest Payment relating to any particular Interest Payment Date, the date falling 12 months following such Interest Payment Date.

Deferred Interest Payments shall bear interest at the rate of 10 per cent. per annum, compounded monthly.

**Mandatory Conversion
on the Maturity Date**

Unless previously purchased and cancelled, redeemed or converted, the Bonds will be mandatorily converted into Ordinary Shares on the Maturity Date.

**Conversion at the
Option of the Issuer –
Qualifying IPO**

The Bonds may be converted into Ordinary Shares at the option of the Issuer in whole (but not in part only) at the Conversion Price upon the occurrence of a Qualifying IPO.

For the purposes of the foregoing:

“Admission” means the admission of the entire issued ordinary share capital of the Issuer to trading on a Qualifying Exchange.

“Qualifying Exchange” means:

- (A) AIM, a market of the London Stock Exchange;
- (B) ASX Limited, a market of the Australian Securities Exchange;
- (C) the Toronto Stock Exchange; or
- (D) such other stock exchange(s) as may be approved by an Extraordinary Resolution of the Bondholders.

“QIPO Effective Date” means the date on which the Ordinary Shares are admitted to listing and trading on a Qualifying Exchange pursuant to a Qualifying IPO. **“Qualifying IPO”** means:

- (A) an offering and sale to investors of Ordinary Shares by the Issuer for subscription or sale for cash, accompanied by Admission, where the QIPO Price is higher than 130 per cent. of the Conversion Price on the QIPO Effective Date; or
- (B) Admission (where not accompanied by any offering and sale to investors of Ordinary Shares by the Issuer for subscription or sale for cash), where the value of an Ordinary Share at the time of Admission on the QIPO Effective Date is higher than 130 per cent. of the Conversion Price on the QIPO Effective Date.

“QIPO Price” means the price per Ordinary Share at which the Ordinary Shares are offered and sold in the QIPO.

**Conversion at the
Option of the Issuer –
Asset Sale**

If the Issuer has received and intends to accept an offer to sell all or substantially all of its assets to a third party (an **“Asset Sale”**) then:

- (i) if, upon conversion in full of the Bonds at the Conversion Price, the Underlying Value per Bond in the principal amount of U.S.\$1,000 would be more than or equal to U.S.\$1,300, then the Issuer may accept the Asset Sale and the Bonds may be converted into Ordinary Shares at the option of the Issuer in whole (but not in part only) at the Conversion Price; and
- (ii) if the Underlying Value per Bond in the principal amount of U.S.\$1,000 would be less than U.S.\$1,300, then the Issuer shall convene a meeting of Bondholders to determine whether the Issuer may accept the Asset Sale and whether the Bonds shall be converted mandatorily into Ordinary Shares in whole (but not in part only) at the Conversion Price; if the requisite majority of Bondholders vote in favour of such conversion then this decision shall be binding on all Bondholders.

“Underlying Value” means, in respect of a Bond in the principal amount of U.S.\$1,000, an amount calculated as follows:

$$UV = (PA / CP) \times (TAC / NS)$$

where:

- “UV” = the Underlying Value
- “PA” = U.S.\$1,000
- “CP” = the Conversion Price in effect on the relevant Calculation Date
- “TAC” = the total gross consideration (in U.S. dollars) receivable by the Issuer for the Asset Sale
- “NS” = the sum of (i) the aggregate number of Ordinary Shares in issue on the relevant Calculation Date and (ii) the number of Ordinary Shares falling to be issued on conversion in full of the Bonds at the Conversion Price prevailing on the Conversion Date.

Conversion at the Option of the Bondholders

The Issuer will, at the option of the holder of any Bond, convert such Bondholder’s Bonds into Ordinary Shares at the Conversion Price following:

- (i) the occurrence of a Change of Control of the Issuer; or
- (ii) the occurrence of an Event of Default.

A **“Change of Control”** shall occur if a person or persons, acting together, acquires control of the Issuer and where “control” means (i) the acquisition or holding or legal or beneficial ownership or control of more than 50 per cent. of

the voting rights of the Issuer or (ii) the right to appoint and/or remove all or the majority of the members of the Issuer's Board of Directors or other governing body, whether obtained directly or indirectly and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

**Conversion -
Underlying**

On conversion in full of the Bonds (whatever the aggregate principal amount of Bonds issued, including in any subsequent tranches), Bondholders will (subject as provided below) receive 80 per cent. of the Ordinary Shares of the Issuer. The number of Ordinary Shares to be issued to each Bondholder shall be determined by dividing the principal amount of the Bonds to be converted by the Conversion Price in effect on the relevant Conversion Date.

**Conversion Price
Adjustments to the
Conversion Price**

The initial Conversion Price is U.S.\$30.10.

The Conversion Price shall be subject to adjustment:

- (i) in the event of any consolidation, re-classification, re-designation or sub-division in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue;
- (ii) in the event of any bonus issue of Ordinary Shares;
- (iii) if the Issuer issues any further Bonds; or
- (iv) if the Issuer or any Subsidiary of the Issuer directly or indirectly issues Ordinary Shares.

Any adjustment pursuant to (i) or (ii) above shall be determined by applying a market standard adjustment formula.

Any adjustment pursuant to (iii) shall result in the Conversion Price being adjusted in such a way that the Bondholders (including the holders of the further Bonds that are issued) shall (subject to any further adjustment to the Conversion Price) together receive in aggregate 80 per cent. of the Ordinary Shares of the Issuer upon conversion in full of all of the Bonds.

Any adjustment pursuant to (iv) above shall be determined by an Independent Financial Adviser applying the principle that the Principal Shareholder's aggregate ownership interest in the Issuer shall not be diluted by the relevant issue of Ordinary Shares unless otherwise decide by the Principal Shareholder. "**Principal Shareholder**" means Iskandia Energy Limited.

On the Closing Date the Issuer's ordinary share capital consists of 50,000 Ordinary Shares.

Cross-Default	The Bonds will contain a cross-default provision, subject to a threshold of U.S.\$2,500,000, as further described in “ <i>Terms and Conditions of the Bonds – Events of Default</i> ”.
Other Covenants	<p>The Issuer will not be permitted to declare or pay any dividends and no member of the Group shall be permitted to declare or pay any dividends other than to the Issuer or otherwise pursuant to pre-existing contractual arrangements relating to joint ownership of assets;</p> <p>The Issuer and its Subsidiaries will not be permitted to enter into any transaction with any Affiliate except in the ordinary course of business on the basis of arm’s-length arrangements for full market value (as certified by an Independent Appraiser);</p> <p>The Issuer shall not be permitted to enter into an Asset Sale otherwise than in compliance with the requirements set out under “<i>Conversion at the Option of the Issuer – Asset Sale</i>” below; and</p> <p>The Issuer and its Subsidiaries will not be permitted to sell, transfer or otherwise dispose of any Assets if the Book Value of such Assets exceeds 10 per cent. of the Issuer’s consolidated Total Assets, other than sales, transfers or disposals where (1) the relevant Asset is being sold, transferred or sold within a range of values reasonably deemed to constitute the fair market value of the relevant Asset, and (2) where the consideration received for the relevant Asset exceeds 130 per cent. of the acquisition price of such Asset (in the case of (1) and (2) as certified by an Independent Appraiser).</p>
Events of Default	For a description of certain other events that will permit the Bonds to become immediately due and payable at their principal amount, together with accrued interest, see “ <i>Terms and Conditions of the Bonds – Events of Default</i> ”.
Withholding tax and additional amounts	Payments in respect of the Bonds will be made without any withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the United Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If withholding or deduction is required for or on account of any such taxes, (i) the Issuer will pay such additional amounts as may be necessary in order that the net payment received by each Bondholder in respect of the Bonds, after such withholding or deduction upon payments made by or on behalf of the Issuer in respect of the Bonds will equal the amount which would have been received in the absence of any such withholding or deduction, subject to customary exceptions as set out in

Condition 16; and (ii) the Issuer will have the right to redeem the Bonds at their principal amount, together with accrued and unpaid interest, subject to the right of Bondholders to elect not to have their Bonds redeemed and thereafter to receive all payments on the Bonds subject to such withholding or deduction.

**Meetings of
Bondholders**

The Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

Form

The Bonds will be issued in bearer form only and will initially be represented by a temporary global bond (the “**Temporary Global Bond**”), without interest coupons, which will be deposited on or about the Issue Date with a common depositary for Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and Euroclear Bank SA/NV (“**Euroclear**”). Interests in the Temporary Global Bond will be exchangeable for interests in a permanent global bond (the “**Permanent Global Bond**”), without interest coupons, on or about 25 February 2016, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Bond will be exchangeable for definitive Bonds only in certain limited circumstances - see “*Summary of Provisions Relating to the Bonds Whilst in Global Form*”.

Denomination

The denomination of the Bonds shall be U.S.\$200,000 and higher integral multiples of U.S.\$1,000 in excess thereof (up to and including U.S.\$399,000).

Listing

Approval in-principle has been received for the listing of the Bonds on the SGX-ST. The Bonds will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 with a minimum of 100 lots to be traded in a single transaction for so long as any of the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

Ratings

The Bonds will not be rated.

Governing law

The Bonds and the Trust Deed, and any non-contractual obligations arising out of or in connection with the Bonds and the Trust Deed, will be governed by, and construed in accordance with, English law.

Selling Restrictions

United States, UK and Switzerland (see “*Subscription and Sale*”).

Use of Proceeds

It is intended that the net proceeds of the issuance of the Bonds will be used to fund the investment programme of the Issuer in

assets in the North American Conventional Oil Fields sector as well as to cover the operative costs of the Issuer.

Clearing Systems

Clearstream, Luxembourg and Euroclear.

ISIN

XS1337093121

Common Code

133709312

RISK FACTORS

Investing in the Bonds involves certain risks. The Issuer believes that the following factors may affect their ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Any of these risk factors, individually or in the aggregate, could have an adverse effect on the Issuer and the impact each risk could have on the Issuer is set out below.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risk relating to the Issuer and the Proposed Operations

The Issuer is a newly incorporated company with no operating history and no revenues, and investors have no basis on which to evaluate the Issuer's ability to achieve its business objective

The Issuer is a recently incorporated company with no operating results, and the directors of the Issuer (the “**Directors**”) will not commence operations until obtaining funding through the offering of the Bonds (the “**Offering**”). Because the Issuer lacks an operating history, investors have no basis upon which to evaluate the Issuer's ability to achieve its business objective of completing acquisitions with one or more target businesses. While the Directors have had discussions directly or indirectly with certain target businesses concerning the Issuer's proposed acquisition plans, the Issuer may be unable to complete acquisitions on the terms the Directors seek, or at all. If the Issuer fails to complete any acquisitions, it will never generate any operating revenues and will not be able to meet the interest payments on the Bonds.

Knowledge of the terms of the Bonds may give potential target businesses leverage over the Issuer in negotiating acquisitions which could undermine the Issuer's ability to consummate acquisitions on terms that would produce value for the Issuer's current and future shareholders

Any potential target business with which the Directors enter into negotiations concerning a proposed acquisition will be aware of the terms of the Bonds and the anticipated return for Bondholders. Consequently, such target businesses may obtain leverage over the Issuer in negotiating the terms of the Issuer's acquisitions. This may make it difficult for the Issuer to complete acquisitions on terms which generate sufficient cash flow for further development of its assets, or service payments on the Bonds.

Because of the Issuer's limited resources and the significant competition for acquisition opportunities of target businesses, it may be difficult for the Issuer to complete acquisitions on the terms the Directors seek, or at all. If the Issuer is unable to complete its proposed acquisitions, the Issuer will not be able to generate income to meet the interest payments on the Bonds

The Directors expect to encounter intense competition from other entities having a business objective similar to that of the Issuer, including private investors, pension funds and private equity firms, special purpose acquisition corporations and other entities, domestic and international, competing for the types of businesses the Directors intend to acquire. Many of these individuals and entities are well-established and have significant experience identifying and effecting, directly or indirectly, acquisitions of companies operating in or providing services to the extractive industries. Some of these competitors may possess greater technical, human and other resources than the Issuer and the Issuer's financial resources will be relatively limited when contrasted with those of many of these competitors. While the Directors believe there are numerous target businesses the Issuer could potentially acquire with the net proceeds of the Offering, the Issuer's ability to compete with respect to the acquisition of certain target businesses that are sizeable will be limited by the Issuer's available financial resources. This inherent competitive limitation gives others an advantage in pursuing the acquisition of certain target businesses. If the Directors are unable to complete the Issuer's proposed acquisitions, the Issuer will not generate any operating revenues and will not be able to meet the interest payments on the Bonds.

If the Issuer acquires a United States entity or assets of a United States entity, it may have adverse tax consequences on holders of Ordinary Shares and on the Issuer

If the Issuer acquires a United States entity or assets of a United States entity, under certain circumstances, the Issuer will be treated under Section 7874 of the Internal Revenue Code of 1986, as amended (the "**Code**") as a United States corporation for United States federal income tax purposes. While the Issuer does not have any current plans to engage in an acquisition which will be subject to Section 7874 of the Code, there can be no assurances provided by the Issuer that it will not engage in such an "inversion" transaction at the time of the qualifying acquisition.

If the Issuer engages in such an inversion transaction and the Issuer is treated as a United States corporation, the Issuer generally would be subject to United States federal income tax and the United States and Canadian federal income tax consequences to United States, Canadian and other non-United States holders of Ordinary Shares may materially differ. Any such United States federal corporate tax liability could have a material adverse effect on the results of the Issuer's operations. If the Issuer engages in such an inversion transaction, any dividends paid by the Issuer to non-United States holders may be subject to United States federal income tax withholding. Because the Ordinary Shares would be treated as shares of a United States domestic corporation, the United States gift, estate and generation-skipping transfer tax rules generally would apply to a non-United States holder of Ordinary Shares.

Because the Directors have not yet selected any specific target businesses with which to pursue the Issuer's acquisition strategy, investors will be unable to ascertain the merits or risks of any particular target business' operations

While the Directors intend to focus on operating businesses that have their primary operations located in Texas, Oklahoma, Alberta, Saskatchewan and neighbouring states and provinces, the Issuer's efforts to identify a target business will not be limited to a particular geographic region. Also, while the Directors may pursue an acquisition opportunity in any business industry or sector, the Directors intend to focus on companies operating oil and gas production business. Because the Directors have not yet agreed terms with any specific target business with respect to an acquisition, there is no basis to evaluate the possible merits or risks of any particular target business' operations, results of operations, cash flows, liquidity, financial condition or prospects. To the extent the Issuer consummates acquisitions, the Issuer may be affected by numerous risks inherent in the business operations which it acquires. For example, if the Issuer acquires a financially unstable business or an entity lacking an established record of sales or earnings, the Issuer may be affected by the risks inherent in the business and operations of a financially unstable or a development-stage entity. Although the Directors will endeavour to evaluate the risks inherent in a particular target business, they may not properly ascertain or assess all of the significant risk factors or have adequate time to complete due diligence. Furthermore, some of these risks may be outside of the Issuer's control and leave the Issuer with no ability to control or reduce the chances that those risks will adversely impact a target business. An investment in the Bonds may not ultimately prove to be more favourable to investors than a direct investment in an acquisition target, if such opportunity were available.

The Directors may seek acquisition opportunities outside of the Issuer's management's area of expertise and the Issuer's management may not be able to adequately ascertain or assess all significant risks associated with the target company

There is no limitation on the industry or business sector the Directors may consider when contemplating the Issuer's acquisition programme. The Directors may therefore be presented with an acquisition target in an industry unfamiliar to the Issuer's management team, but they could determine that such candidate offers an attractive acquisition opportunity for the Issuer. If the Directors elect to pursue an investment outside of the Issuer's management's expertise, the Issuer's management's experience may not be directly applicable to the target business or their evaluation of its operations. Additional expense may therefore need to be incurred to source appropriate advice and expertise. Such advice and expertise may not be readily available on commercially acceptable terms, which may result in the Issuer failing to preserve and enhance the value of the assets acquired.

Although the Directors have identified general criteria and guidelines that they believe are important in evaluating prospective target businesses, the Issuer may enter into an acquisition with a target that does not meet such criteria and guidelines, and as a result, the target businesses which the Issuer acquires may not have attributes entirely consistent with the Issuer's general criteria and guidelines

Although the Directors have identified specific investment criteria and guidelines for evaluating prospective target businesses, it is possible that a target business which the Issuer acquires

will not have all of these positive attributes. If the Directors consummate an acquisition with a target that does not meet some or all of these guidelines, such acquisition may not be as successful as an acquisition with a business that does meet all of the Issuer's general criteria and guidelines. The Issuer's ability to service payments on the Bonds is dependent on successful acquisitions.

The Directors are not required to obtain an opinion from a qualified person in respect of any target acquisition, and consequently, an independent source may not confirm that the price the Directors are paying for any business is fair to the Issuer or the Issuer's shareholders or Bondholders from a financial point of view

Unless the Issuer intends to consummate an acquisition with a related party (within the meaning of applicable securities law), the Directors may not be required to obtain an opinion from a qualified person that the price the Directors are paying is fair to the Issuer or the Issuer's shareholders or Bondholders from a financial point of view. Accordingly, the Issuer's shareholders and Bondholders will be relying on the judgment of the Issuer's management and Board of Directors. The Issuer may not get full value from an acquisition, which may impair the Issuer's ability to service payments on the Bonds.

Resources could be wasted in researching acquisitions that are not consummated, which could materially adversely affect subsequent attempts to locate and acquire or merge with another business

The Directors anticipate that the investigation of each specific target business and the negotiation, drafting, and execution of relevant agreements, disclosure documents, and other instruments will require substantial management time and attention and substantial costs for accountants, legal advisers and other experts. If the Directors decide not to complete a specific acquisition, the costs incurred up to that point for the proposed transaction are unlikely to be recoverable. Furthermore, if the Directors reach an agreement relating to a specific target business, the Directors may fail to consummate such acquisition for any number of reasons, including those beyond the Issuer's control. Any such event will result in a loss to the Issuer of the related costs incurred which could materially adversely affect subsequent attempts to locate and acquire or merge with another business.

A majority of the Directors live outside the United Kingdom and all or the majority of the Issuer's assets will be located outside the United Kingdom; therefore investors may not be able to enforce applicable securities laws or their other legal rights

The majority of the Directors reside outside of the United Kingdom and all of the Issuer's operational assets will be located outside the United Kingdom. As a result, it may be difficult, or in some cases not possible, for investors to enforce their legal rights, to effect service of process upon all of the Directors or officers or to enforce judgments of the English courts predicated upon civil liabilities and criminal penalties on the Directors and officers under English laws.

The Issuer is highly dependent upon the Directors and consultants and their loss could adversely affect the Issuer's ability to operate and effect the Issuer's qualifying acquisition

The Issuer's operations are dependent upon a relatively small group of individuals and, in particular, the Directors and consultants. The Directors believe that the Issuer's success depends on the continued service of the Directors and consultants, at least until the Issuer has consummated its initial acquisitions. In addition, the Issuer's officers and Directors are not required to commit any specified amount of time to the Issuer's affairs and, accordingly, may have conflicts of interest in allocating management time among various business activities, including identifying potential acquisitions and monitoring the related due diligence. The Issuer does not have key-man insurance on the life of any of its Directors or consultants. The unexpected loss of the services of one or more of its Directors or officers could have a detrimental effect on the Issuer, the Issuer's operations and the Issuer's ability to effect the intended acquisitions.

The Issuer's ability to successfully effect the Issuer's acquisitions and to be successful thereafter will be largely dependent upon the efforts of the Issuer's key personnel, some of whom may join the Issuer following the Issuer's acquisitions. The loss of key personnel could negatively impact the operations and profitability of the Issuer's post-acquisition business

The Issuer's ability to deliver successfully the Issuer's acquisition programme is dependent upon the efforts of the Issuer's key personnel. The role of the Issuer's key personnel in the target businesses, however, cannot presently be ascertained. Although some of the Issuer's key personnel may remain with the target businesses in senior management or advisory positions following the Issuer's acquisitions, it is likely that some or all of the management of the target businesses will remain in place. While the Directors intend to scrutinise closely any individuals the Directors engage after any acquisitions are concluded, the Issuer's assessment of these individuals may not prove to be correct.

The Directors may have a limited ability to assess the management of prospective target businesses and, as a result, may affect the Issuer's qualifying acquisition with target businesses whose management may not have the skills, qualifications or abilities to manage a public company

When evaluating the desirability of effecting acquisitions with prospective target business, the Issuer's ability to assess the target businesses' management may be limited due to a lack of time, resources or information. The Issuer's assessment of the capabilities of the target businesses' management, therefore, may prove to be incorrect and such management may lack the skills, qualifications or abilities the Directors expected. Should the target's management not possess the skills, qualifications or abilities necessary to manage a subsidiary of a public company, the operations and profitability of the post-acquisition businesses may be negatively impacted.

The officers and directors of an acquisition target may resign upon or following the closing of the Issuer's acquisition. The loss of an acquisition target's key personnel

could negatively impact the operations and profitability of the Issuer's post acquisition business

The role of an acquisition target's key personnel upon or following the closing of one of the Issuer's acquisitions cannot be ascertained at this time. Although the Directors contemplate that certain members of an acquisition target's management team will remain associated with the acquisition target following the Issuer's acquisition, it is possible that some members of the management team of an acquisition target will not wish to remain in place, which could negatively affect the business.

Certain of the Directors and consultants may now be, and all of them may in the future become, affiliated with entities engaged in business activities similar to those intended to be conducted by the Issuer and, accordingly, may have conflicts of interest in allocating their time and determining to which entity a particular business opportunity should be presented

Following the completion of the Offering and while the Directors are delivering the Issuer's acquisition programme, the Directors intend to engage in the business of identifying and negotiating with one or more businesses for an acquisition. The Directors and consultants may now be, or may in the future become, affiliated with entities that are engaged in a similar business.

The Directors and consultants also may become aware of business opportunities which may be appropriate for presentation to the Issuer and the other entities to which they owe duties. In the course of their other business activities, the Directors and consultants may owe similar or other duties, and may have obligations, to other entities or pursuant to other outside business arrangements, including seeking and presenting investment and business opportunities. Accordingly, they may have conflicts of interest in determining to which entity a particular business opportunity should be presented. These conflicts may not be resolved in the Issuer's favour, as the Directors and consultants are not required to present investment and business opportunities to the Issuer in priority to other entities with which they are affiliated or to which they owe duties.

The Directors and their affiliates and associates may have interests that conflict with the Issuer's interests

The Directors have not adopted a policy that expressly prohibits the Directors, affiliates or associates from having a direct or indirect financial interest in any investment to be acquired or disposed of by the Issuer or in any transaction to which the Directors are a party or have an interest. In fact, even though it is not the Issuer's current intention to do so, the Issuer may acquire a target business that is affiliated with the Directors or consultants. If the Issuer did wish to enter into an acquisition with a target business affiliated with one or more of its Directors, however, the Directors would expect (whether or not required to do so under applicable law) to obtain a fairness opinion from a qualified person, concluding that the terms of the acquisition are fair and reasonable so far as the Issuer and its shareholders are concerned.

The Directors may attempt contemporaneously to consummate acquisitions with multiple prospective targets, which may hinder the Issuer's ability to consummate those acquisitions and give rise to increased costs and risks that could negatively impact the Issuer's operations and profitability

If the Directors determine contemporaneously to acquire several businesses that are owned by different sellers, the Directors may require each of such sellers to agree that the Issuer's purchase of its business is contingent on the contemporaneous closings of the other acquisitions, which may make it more difficult for the Issuer, and delay the Issuer's ability, to complete those acquisitions. With multiple acquisitions, the Directors could also face additional risks, including additional burdens and costs with respect to possible multiple negotiations and due diligence investigations (if there are multiple sellers) and the additional risks associated with the subsequent integration of the operations and services or products of the acquired companies in a single operating business. If the Directors are unable adequately to address these risks, it could negatively impact the Issuer's profitability and results of operations.

The Directors may attempt to conclude an acquisition with a private company about which little information is available, which may result in an acquisition with a company that is not as profitable as the Directors suspected, if at all

In pursuing the Issuer's acquisition strategy, the Directors may seek to effect an acquisition with a privately held company. By definition, very little public information exists about private companies, and the Directors could be required to assess whether to pursue a potential acquisition on the basis of limited information, which may result in the Issuer acquiring a company that is not as profitable as the Directors suspected, if at all.

The Directors may be unable to obtain additional financing to complete the Issuer's acquisitions or to fund the operations and/or growth of a target business, which could compel the Issuer to restructure or abandon a particular acquisition

Although the Directors believe that the net proceeds of the Offering, and any follow-on Offering the Directors may effect, will be sufficient to allow the Issuer to deliver the Issuer's acquisition programme, the Directors have not yet reached agreement with any prospective target business and thus the Directors cannot ascertain the capital requirements for any particular transaction. If the net proceeds of the Offering prove to be insufficient to enable the Issuer to deliver its acquisition programme, the Directors may be required to seek additional financing or to abandon the proposed acquisition. Additional financing may not be available on acceptable terms, if at all. To the extent that additional financing proves to be unavailable when needed to consummate the Issuer's acquisition, the Directors would be compelled to either restructure the transaction or abandon that particular acquisition and seek an alternative target business candidate. In addition, even if the Directors do not need additional financing to consummate the Issuer's acquisitions, the Directors may require such financing to fund the operations and/or growth of the target businesses. The failure to secure additional financing could have a material adverse effect on the continued development or growth of the target businesses. None of the Directors, consultants or shareholders are required to provide any financing to the Issuer in connection with or after any acquisition.

The Directors may choose to complete only one acquisition with the proceeds of the Offering, which will cause the Issuer to be solely dependent on a single target business which may have a limited number of products or services

Whilst it is not the Issuer's intention to do so, it is possible that the Directors will consummate an acquisition with a single target business, although the Directors have the ability to simultaneously acquire several target businesses. By consummating an acquisition with only a single entity, the Issuer's lack of diversification may subject the Issuer to numerous economic, competitive and regulatory developments, any or all of which may have a substantial adverse impact upon the particular industry in which the Directors may operate subsequent to that acquisition. Further, the Directors would not be able to immediately diversify the Issuer's operations or benefit from the possible spreading of risks or offsetting of losses, unlike other entities which may have the resources to complete several acquisitions or business combinations in different industries or different areas of a single industry. Accordingly, the prospects for the Issuer's success may be solely dependent upon the performance of a single business, or dependent upon the development or market acceptance of a single or limited number of products, processes or services.

Technologies selected by the Issuer may not work as anticipated

The Issuer and the Directors select carefully the technologies and the technologies providers that will be retained to maintain the oil fields that it acquires and to enhance the oil production in those fields. However, some of the technologies selected are disruptive, issued directly from research and development programmes, and are highly innovative. Therefore those technologies may not work as anticipated and the impact thereof on the maintenance of the oil fields where they are used or on the enhancement of oil production in those fields may diverge significantly from expectations.

The selection of target assets may be inappropriate for the technology used

The Issuer and the Directors focus on potential targets which are appropriate for the selected technologies in terms of geological structure, quality of oil and maturity of the wells. However, even if the selected technologies are field-proven, the oil assets targeted by the Issuer may have profiles which could differ from those where the selected technologies have a track record of success. Therefore, those oil fields may prove to be inappropriate for the selected technologies.

The demand for the services of the relevant technology providers may affect both cost and availability of the technology

Some competitors of the Issuer may employ the same technologies leading to a scarcity of resources to service the technologies. Therefore, the cost of such technologies and services may rise significantly, especially in the case of the most innovative technologies which could face strong demand while the available implementation resources are limited until they become mainstream.

The collapse of the oil price may have a severe impact on the industry's service providers, including technology providers

The collapse of the oil price may result in service providers having to reprice their services in a way that may be damaging to the financial strength of such service providers, including technology providers. Therefore some of the key technology providers selected by the Issuer and its Directors may reduce their services and even close their businesses entirely.

There is currently no market for the Issuer's securities and a market for the Issuer's securities may not develop, which would adversely affect the liquidity and price of the Issuer's securities

There is currently no market for the Issuer's securities. Prospective investors therefore have no access to information about prior market history on which to base their investment decision. Following the Offering, the price of the Issuer's securities may vary significantly due to one or more potential qualifying acquisitions and general market or economic conditions. Furthermore, an active trading market for the Issuer's securities may never develop or, if developed, may not be sustained. Investors may be unable to sell their securities unless a market can be established and sustained.

There may be tax consequences to the Issuer's acquisitions that may adversely affect the Issuer

While the Directors expect to undertake any merger or acquisition so as to minimise taxes both to the acquired business and/or asset and the Issuer, such an acquisition could result in the imposition of substantial taxes, and may have other adverse tax consequences to the Issuer and/or the Issuer's shareholders and/or Bondholders.

Because of the costs and difficulties inherent in managing cross-border business operations, the Issuer's results of operations may be negatively impacted

Managing a business, operations, personnel or assets in another country is challenging and costly. Any management that the Issuer may have (whether based in Europe, the United States or in Canada) may be inexperienced in cross-border business practices and unaware of significant differences in accounting rules, legal regimes and labour practices. Even with a seasoned and experienced management team, the costs and difficulties inherent in managing cross-border business operations, personnel and assets can be significant (and much higher than in a purely domestic business) and may negatively impact the Issuer's financial and operational performance.

If social unrest, acts of terrorism, regime changes, changes in laws and regulations, political upheaval, or policy changes or enactments occur in a country in which the Issuer may operate after an acquisition, it may result in a negative impact on the Issuer's business

Political events in another country may significantly affect the Issuer's business, assets or operations. Social unrest, acts of terrorism, regime changes, changes in laws and regulations,

political upheaval, and policy changes or enactments could negatively impact the Issuer's business in a particular country.

After concluding its initial acquisitions, substantially all of the Issuer's assets are likely to be located in a foreign country and substantially all of the Issuer's revenue will be derived from the Issuer's operations in such country. Accordingly, the Issuer's results of operations and prospects will be subject, to a significant extent, to the economic, political and legal policies, developments and conditions in the country in which the Issuer operates

The economic, political and social conditions, as well as government policies, of the country in which the Issuer's operations are located could affect the Issuer's business. If in the future such country's economy experiences a downturn or grows at a slower rate than expected, there may be less demand for spending in certain industries. A decrease in demand for spending in certain industries could materially and adversely affect the Issuer's ability to find attractive target businesses with which to consummate the Issuer's acquisition strategy and, if the Directors effect acquisitions, the ability of the target businesses to become profitable.

Currency policies may cause a target business's ability to succeed in the international markets to be diminished

Although the Directors intend to prepare the Issuer's accounts in U.S. dollars, some of the Issuer's assets may be located in Canada, some of the Issuer's income may therefore be received in Canadian dollars, and some of the Issuer's expenditure may be incurred in Canadian dollars and Pounds Sterling. Accordingly the U.S. dollar equivalent of the Issuer's net assets and distributions, if any, could be adversely affected by fluctuations in the value of these other currency. The values of the currencies fluctuate and are affected by, among other things, changes in political and economic conditions. Any change in the relative value of these currencies against the Issuer's reporting currency may affect the attractiveness of any target business or, following the closing of the Issuer's acquisitions, the Issuer's financial condition and results of operations. Additionally, if a currency appreciates in value against the U.S. dollar prior to the closing of an acquisition, the cost of a target business as measured in U.S. dollars will increase, which may make it less likely that the Directors are able to consummate such transaction.

Risks relating to the Industry in which the Issuer intends to Operate

The Issuer intends to make acquisitions of oil-producing assets. Oil prices are volatile. A substantial or extended decline in commodity prices may adversely affect the Issuer's business, financial condition or results of operations and the Issuer's ability to meet the Issuer's capital expenditure obligations and financial commitments

If the Issuer succeeds in making acquisitions of oil-producing assets, the prices the Issuer will receive for any subsequent oil production will heavily influence its revenue, operating results, profitability, access to capital, future rate of growth and carrying value of the Issuer's properties. Oil is a commodity and, therefore, its prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Historically, the commodities

market has been volatile. This market will likely continue to be volatile in the future. The prices the Directors receive for the Issuer's production, and the levels of the Issuer's production, depend on numerous factors beyond the Issuer's control. These factors include the following:

- worldwide and regional economic conditions impacting the global supply of and demand for oil;
- the price and quantity of imports of foreign natural gas, including liquefied natural gas;
- political conditions in or affecting other producing countries, including conflicts in the Middle East, Africa, South America and Russia;
- the level of global exploration and production;
- the level of global inventories;
- prevailing prices on local price indexes in the areas in which the Directors operate and expectations about future commodity prices;
- the proximity, capacity, cost and availability of gathering and transportation facilities, and other factors that result in differentials to benchmark prices;
- localised and global supply and demand fundamentals and transportation availability;
- weather conditions and other natural disasters;
- technological advances affecting energy consumption;
- the cost of exploring for, developing, producing and transporting reserves;
- speculative trading in crude oil derivative contracts;
- risks associated with operating stimulation tools and drilling rigs;
- the price and availability of competitors' supplies of oil and alternative fuels; and
- domestic, local and foreign governmental regulation and taxes.

Furthermore, the worldwide financial and credit crisis in recent years has reduced the availability of liquidity and credit to fund the continuation and expansion of industrial business operations worldwide, resulting in a slowdown in economic activity and recession in parts of the world. This has reduced worldwide demand for energy and resulted in lower oil prices.

Lower commodity prices and negative increases in the Issuer's differentials will reduce the Issuer's cash flows and borrowing ability. The Directors may be unable to obtain needed capital or financing on satisfactory terms, which could lead to a decline in the Issuer's production as the Issuer could not be able to acquire new oil fields and grow its assets or to drill new wells in

its existing oil fields. Lower commodity prices may also reduce the amount of oil that the Directors can produce economically.

If commodity prices further decrease or the Issuer's negative differentials further increase, a significant portion of any development and exploration projects of companies it acquires could become uneconomic. This may result in the Issuer having to make significant downward adjustments to the Issuer's estimated production and cash flow generation. As a result, a substantial or extended decline in commodity prices or an increase in the Issuer's negative differentials may materially and adversely affect the Issuer's future business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures.

Development and exploration projects may require substantial capital expenditures. The Directors may be unable to obtain required capital or financing on satisfactory terms, which could lead to a decline in the Issuer's oil production and reserves

The oil industry is capital intensive. The Directors expect to make substantial capital expenditures for the development and acquisition of producing oil assets and associated reserves. The actual amount and timing of the Issuer's future capital expenditures may differ materially from the Issuer's estimates as a result of, among other things, oil prices, actual stimulation or drilling results, the availability of stimulation tools or drilling rigs and other services and equipment, and regulatory, technological and competitive developments. A reduction in oil prices from current levels may result in a decrease in the Issuer's actual capital expenditures, which would negatively impact the Issuer's ability to grow production. The Directors intend to finance the Issuer's future capital expenditures primarily through cash flow from operations and through successive tranches of Bonds; however, the Issuer's financing needs may require the Issuer to alter or increase the Issuer's capitalisation substantially through the issuance of debt or equity securities or the sale of assets. The issuance of additional indebtedness would require that a portion of the Issuer's cash flow from operations be used for the payment of interest and principal on the Issuer's indebtedness, thereby reducing the Issuer's ability to use cash flow from operations to fund working capital, capital expenditures and acquisitions.

The Issuer's cash flow from operations and access to capital are subject to a number of variables, including:

- the Issuer's acquired companies' proved reserves;
- the level of hydrocarbons the acquired companies are able to produce from existing wells;
- the prices at which the acquired companies' production is sold;
- the acquired companies' ability to acquire, locate and produce new reserves; and
- the levels of the acquired companies' operating expenses.

If the acquired companies' revenues decrease as a result of lower oil prices, operating difficulties, declines in reserves or for any other reason, the Directors may have limited ability to obtain the capital necessary to sustain the Issuer's operations at current levels. If additional capital is needed, the Directors may not be able to obtain debt or equity financing on terms acceptable to the Issuer, if at all. If cash flow generated by the Issuer's operations are not sufficient to meet the Issuer's financing obligations (including interest in the Bonds), the failure to obtain additional financing could result in a curtailment of the Issuer's operations relating to development of the Issuer's acquired companies' properties, which in turn could lead to a decline in the Issuer's reserves and production, and could adversely affect the Issuer's business, financial condition and results of operations.

Producing oil is a high-risk activity with many uncertainties that could result in a total loss of investment or otherwise adversely affect the Issuer's business, financial condition or results of operations

The Issuer's future financial condition and results of operations will depend on the success of its development and acquisition activities, which are subject to numerous risks beyond its control, including the risk that stimulating or drilling will not result in commercially viable oil production or that the Issuer will recover all or any portion of its investment in such wells.

The Issuer's decisions to acquire further or develop prospects or properties will depend in part on the evaluation of data obtained through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations. For a discussion of the uncertainty involved in these processes, see "*— Reserve estimates depend on many assumptions that may turn out to be inaccurate. Any material inaccuracies in reserve estimates or underlying assumptions will materially affect the quantities and present value of the Issuer's reserves.*"

Further, many factors may curtail, delay or cancel development of the Issuer's acquisition, including the following:

- delays imposed by or resulting from compliance with regulatory requirements including limitations resulting from wastewater disposal, discharge of greenhouse gases, and limitations on enhanced oil recovery or hydraulic fracturing;
- pressure or irregularities in geological formations;
- shortages of or delays in obtaining equipment and qualified personnel or in obtaining water for enhanced oil recovery or hydraulic fracturing activities;
- equipment failures, accidents or other unexpected operational events;
- lack of available gathering facilities or delays in construction of gathering facilities;
- lack of available capacity on interconnecting transmission pipelines;
- adverse weather conditions, such as blizzards and ice storms;

- issues related to compliance with environmental regulations;
- environmental hazards, such as natural gas leaks, oil spills, pipeline and tank ruptures, encountering naturally occurring radioactive materials, and unauthorised discharges of brine, well stimulation and completion fluids, toxic gases or other pollutants into the surface and subsurface environment;
- declines in oil prices;
- limited availability of financing at acceptable terms;
- title problems; and
- limitations in the market for oil and gas.

Any of these risks can cause substantial losses, including personal injury or loss of life, damage to or destruction of property, natural resources and equipment, pollution, environmental contamination or loss of wells and other regulatory penalties.

The Issuer's producing properties are concentrated in a limited number of areas, making the Issuer vulnerable to risks associated with operating in limited areas

The Issuer expects that the majority of the operational assets it acquires will be in Texas, Oklahoma, Alberta, Saskatchewan and neighbouring states and provinces. As a result of this concentration, the Issuer may be disproportionately exposed to the impact of regional supply and demand factors, delays or interruptions of production from wells in this area caused by governmental regulation, processing or transportation capacity constraints, market limitations, water shortages or other drought related conditions or interruption of the processing or transportation of oil. Such delays or interruptions could have a material adverse effect on the Issuer's financial condition and results of operations.

Due to the anticipated concentrated nature of the Issuer's anticipated portfolio of oil properties, a number of the Issuer's properties could experience any of the same conditions at the same time, resulting in a relatively greater impact on the Issuer's results of operations than they might have on other companies that have a more diversified portfolio of properties.

Reserve estimates depend on many assumptions that may turn out to be inaccurate. Any material inaccuracies in reserve estimates or underlying assumptions will materially affect the quantities and present value of the Issuer's reserves

The process of estimating oil reserves is complex. It requires interpretations of available technical data and many assumptions, including assumptions relating to current and future economic conditions and commodity prices. Any significant inaccuracies in these interpretations or assumptions could materially affect the estimated quantities and present value of the Issuer's reserves.

In order to prepare reserve estimates, the Directors must project production rates and timing of development expenditures. The Directors must also analyse available geological, geophysical,

production and engineering data. The extent, quality and reliability of this data can vary. The process also requires economic assumptions about matters such as oil prices, stimulating, drilling and operating expenses, capital expenditures, taxes and availability of funds.

Actual future production, oil prices, revenues, taxes, development expenditures, operating expenses and quantities of recoverable oil reserves will vary from the Issuer's estimates. As a substantial portion of the Issuer's reserve estimates are made without the benefit of a lengthy production history, any significant variance from the above assumption could materially affect the estimated quantities and present value of the Issuer's reserves. In addition, the Directors may adjust reserve estimates to reflect production history, results of exploration and development, existing commodity prices and other factors, many of which are beyond the Issuer's control.

Reserve estimates for fields that do not have a lengthy production history are less reliable than estimates for fields with lengthy production histories. Less production history may contribute to less accurate estimates of reserves, future production rates and the timing of development expenditures. Estimated reserves may vary substantially from well to well and are not directly correlated to perforated lateral length or completion technique. A material and adverse variance of actual production, revenues and expenditures from those underlying reserve estimates would have a material adverse effect on the Issuer's business, financial condition, results of operations and cash flows.

Conservation measures and technological advances could reduce demand for oil and natural gas

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, technological advances in fuel economy and energy generation devices could reduce demand for oil and natural gas. The impact of the changing demand for oil and gas services and products may have a material adverse effect on the Issuer's business, financial condition, results of operations and cash flows.

The Issuer's proposed operations are subject to governmental laws and regulations relating to the protection of the environment, which may expose the Issuer to significant costs and liabilities that could exceed current expectations

Substantial costs, liabilities, delays and other significant issues could arise from environmental laws and regulations inherent in stimulation, drilling and well completion, gathering, transportation, and storage, and the Issuer may incur substantial costs and liabilities in the performance of these types of operations. The Issuer's operations are subject to extensive federal, regional, state and local laws and regulations governing environmental protection, the discharge of materials into the environment and the security of chemical and industrial facilities.

Various governmental authorities, including the U.S. Environmental Protection Agency ("EPA"), the U.S. Department of the Interior, the Bureau of Indian Affairs and analogous state agencies and tribal governments, have the power to enforce compliance with these laws and regulations and the permits issued under them, oftentimes requiring difficult and costly actions. Failure to

comply with these laws, regulations and permits may result in the assessment of administrative, civil and criminal penalties, the imposition of remedial obligations, the imposition of stricter conditions on or revocation of permits, the issuance of injunctions limiting or preventing some or all of the Issuer's anticipated operations, delays in granting permits and cancellation of leases.

Other countries in which the Issuer may operate may have similar (or even more extensive) laws and regulations.

There is inherent risk of the incurrence of environmental costs and liabilities in the Issuer's business, some of which may be material, due to the handling of the Issuer's products as they are gathered, transported, processed and stored, air emissions related to the Issuer's operations, historical industry operations, and water and waste disposal practices. Joint and several, strict liability may be incurred without regard to fault under certain environmental laws and regulations, including the Comprehensive Environmental Response, Compensation, and Liability Act, the Resource Conservation and Recovery Act and analogous state laws, for the remediation of contaminated areas and in connection with spills or releases of natural gas, oil and wastes on, under, or from the Issuer's properties and facilities. Private parties may have the right to pursue legal actions to enforce compliance as well as to seek damages for non-compliance with environmental laws and regulations or for personal injury or property damage arising from the Issuer's operations. Some sites at which the Issuer may operate may be located near current or former third-party oil and natural gas operations or facilities, and there is a risk that contamination has migrated from those sites to those owned by companies acquired by the Issuer. In addition, increasingly strict laws, regulations and enforcement policies in the U.S. and other countries could materially increase the Issuer's compliance costs and the cost of any remediation that may become necessary. The Issuer's insurance may not cover all environmental risks and costs or may not provide sufficient coverage if an environmental claim is made against the Issuer.

The Issuer's business may be adversely affected by increased costs due to stricter pollution control equipment requirements or liabilities resulting from non-compliance with required operating or other regulatory permits. Also, the Directors might not be able to obtain or maintain from time to time all required environmental regulatory approvals for the Issuer's operations. If there is a delay in obtaining any required environmental regulatory approvals, or if the Directors fail to obtain and comply with them, the operation or construction of the Issuer's facilities could be prevented or become subject to additional costs.

The Issuer's acquired subsidiaries will generally be responsible for all liabilities associated with the environmental condition of their facilities and assets, whether acquired or developed, regardless of when the liabilities arose and whether they are known or unknown. In connection with certain acquisitions and divestitures, the Issuer could acquire, or be required to provide indemnification against, environmental liabilities that could expose the Issuer to material losses, which may not be covered by insurance. In addition, the steps the Directors could be required to take to bring certain facilities into compliance could be prohibitively expensive, and the Issuer might be required to shut down, divest or alter the operation of those facilities, which might cause the Issuer to incur losses.

The Directors make assumptions and develop expectations about possible expenditures related to environmental conditions based on current laws and regulations and current interpretations of those laws and regulations. If the interpretation of laws or regulations, or the laws and regulations themselves, change, the Issuer's assumptions may change, and any new capital costs may be incurred to comply with such changes. In addition, new environmental laws and regulations might adversely affect the Issuer's products and activities, including stimulation, drilling, processing, storage and transportation, as well as waste management and air emissions. For instance, federal and state agencies could impose additional safety requirements, any of which could affect the Issuer's profitability. Further, new environmental laws and regulations might adversely affect the Issuer's customers, which in turn could affect the Issuer's profitability.

Oil producers' operations are substantially dependent on the availability of water. Restrictions on the ability to obtain water may impact the Issuer's operations

Water is an essential component of oil and gas production during the stimulation of the drilling. The Issuer's inability to locate sufficient amounts of water, or dispose of or recycle water used in the Issuer's acquired exploration and production operations, could adversely impact the Issuer's operations.

Moreover, the imposition of new environmental initiatives and regulations could include restrictions on the Issuer's ability to conduct certain operations such as enhanced oil recovery or hydraulic fracturing or disposal of waste, including, but not limited to, produced water, stimulation and drilling fluids and other wastes associated with the exploration, development or production of hydrocarbons. The United States Clean Water Act ("CWA") imposes restrictions and strict controls regarding the discharge of produced waters and other natural gas and oil waste into navigable waters. Permits must be obtained to discharge pollutants to waters and to conduct construction activities in waters and wetlands. The CWA and similar state laws provide for civil, criminal and administrative penalties for any unauthorised discharges of pollutants and unauthorised discharges of reportable quantities of oil and other hazardous substances. State and federal discharge regulations prohibit the discharge of produced water and sand, stimulation and drilling fluids, drill cuttings and certain other substances related to the natural gas and oil industry into coastal waters. The EPA has also adopted regulations requiring certain oil exploration and production facilities to obtain permits for storm water discharges. Compliance with current and future environmental regulations and permit requirements governing the withdrawal, storage and use of surface water or groundwater may increase the Issuer's operating costs and cause delays, interruptions or termination of the Issuer's operations, the extent of which cannot be predicted.

The Issuer will be subject to risks associated with climate change

There is a growing belief that emissions of greenhouse gases ("GHGs") may be linked to climate change. Climate change and the costs that may be associated with its impacts and the regulation of GHGs have the potential to affect the Issuer's proposed business in many ways, including negatively impacting the costs the Issuer incurs in providing its products and services, the demand for and consumption of the Issuer's products and services (due to change in both costs and weather patterns), and the economic health of the regions in which the Directors

operate, all of which can create financial risks. In addition, legislative and regulatory responses related to GHGs and climate change creates the potential for financial risk. The U.S. Congress has previously considered legislation related to GHG emissions. There have also been international efforts seeking legally binding reductions in emissions of GHGs. In addition, increased public awareness and concern may result in more state, regional and/or federal requirements to reduce or mitigate GHG emissions.

The recent actions of the EPA and the passage of any federal or state climate change laws or regulations could result in increased costs to (i) operate and maintain the Issuer's facilities, (ii) install new emission controls on the Issuer's facilities and (iii) administer and manage any GHG emissions programme. If the Directors are unable to recover or pass through a significant level of the Issuer's costs related to complying with climate change regulatory requirements imposed on the Issuer, it could have a material adverse effect on the Issuer's results of operations and financial condition. To the extent financial markets view climate change and GHG emissions as a financial risk, this could negatively impact the Issuer's cost of and access to capital. Legislation or regulations that may be adopted to address climate change could also affect the markets for the Issuer's products by making the Issuer's products more or less desirable than competing sources of energy.

The Issuer may incur substantial losses and be subject to substantial liability claims as a result of the Issuer's operations or those of its acquired subsidiaries. Additionally, the Issuer may not be insured for, or the Issuer's insurance may be inadequate to protect the Issuer against, these risks

The Issuer's oil production activities are subject to all of the operating risks associated with stimulation and drilling for and producing oil, including the possibility of:

- environmental hazards, such as uncontrollable releases of oil, natural gas, brine, well fluids, toxic gas or other pollution into the environment, including groundwater, air and shoreline contamination;
- abnormally pressured formations;
- mechanical difficulties, such as stuck oilfield drilling and service tools and casing collapse;
- fires, explosions and ruptures of pipelines;
- personal injuries and death;
- natural disasters; and
- terrorist attacks targeting natural gas and oil related facilities and infrastructure.

Any of these risks could adversely affect the Issuer's ability to conduct operations or result in substantial loss to the Issuer as a result of claims for:

- injury or loss of life;

- damage to and destruction of property, natural resources and equipment;
- pollution and other environmental damage;
- regulatory investigations and penalties;
- suspension of the Issuer's operations; and
- repair and remediation costs.

In accordance with what the Directors believe to be customary industry practice, the Issuer will maintain insurance against some, but not all, of the Issuer's business risks. The Issuer's insurance may not be adequate to cover any losses or liabilities it may suffer. Also, insurance may no longer be available to the Issuer or, if it is, its availability may be at premium levels that do not justify its purchase. The occurrence of a significant uninsured claim, a claim in excess of the insurance coverage limits maintained by the Issuer or a claim at a time when the Directors are not able to obtain liability insurance could have a material adverse effect on the Issuer's ability to conduct normal business operations and on the Issuer's financial condition, results of operations or cash flows. In addition, the Directors may not be able to secure additional insurance or bonding that might be required by new governmental regulations. This may cause the Issuer to restrict the Issuer's operations, which might severely impact the Issuer's financial condition. The Issuer may also be liable for environmental damage caused by previous owners of properties purchased by the Issuer, which liabilities may not be covered by insurance.

The Directors cannot assure investors that the insurance coverage will be adequate to cover claims that may arise, or that the Directors will be able to maintain adequate insurance at rates they consider reasonable. A loss not fully covered by insurance could have a material adverse effect on the Issuer's financial condition, results of operations and cash flows.

The Directors may elect not to obtain insurance for any or all of these risks if they believe that the cost of available insurance is excessive relative to the risks presented. In addition, pollution and environmental risks generally are not fully insurable. The occurrence of an event that is not fully covered by insurance could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Market conditions or operational impediments may hinder the Issuer's access to oil markets or delay the Issuer's production

Market conditions or the unavailability of satisfactory oil transportation arrangements may hinder the Issuer's access to markets or delay the Issuer's future production. The availability of a ready market for the Issuer's production is likely to depend on a number of factors, including the demand for and supply of oil and the proximity of reserves to pipelines and terminal facilities. The Issuer's ability to market its production will depend in substantial part on the availability and capacity of gathering systems, pipelines and processing facilities owned and operated by third parties. The Issuer's failure to obtain such services on acceptable terms could materially harm the Issuer's business. The Directors may be required to shut in wells due to lack of a market or inadequacy or unavailability of oil pipeline or gathering system capacity.

In addition, if quality specifications for the third-party pipelines with which the Directors connect change so as to restrict the Issuer's ability to transport product, the Issuer's access to markets could be impeded. If the Issuer's production becomes shut in for any of these or other reasons, the Directors would be unable to realise revenue from those wells until other arrangements were made to deliver the products to market.

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect the Issuer's business, investments and results of operations

The Issuer is subject to laws and regulations enacted by national, regional and local governments. In particular, the Directors will be required to comply with certain English company and securities law, UK income tax law and Singapore Stock Exchange and other legal and regulatory requirements. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application also may change from time to time and those changes could have a material adverse effect on the Issuer's business, investments and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, could have a material adverse effect on the Issuer's business and results of operations.

The Issuer's operations will be subject to complex federal, state, local and other laws and regulations that could adversely affect the cost, manner or feasibility of conducting the Issuer's operations or expose the Issuer to significant liabilities

The Issuer's anticipated oil production operations will be subject to complex and stringent laws and regulations. In order to conduct the Issuer's operations in compliance with these laws and regulations, the Directors must obtain and maintain numerous permits, approvals and certificates from various federal, state and local governmental authorities. The Directors may incur substantial costs in order to maintain compliance with these existing laws and regulations. In addition, the Issuer's costs of compliance may increase if existing laws and regulations are revised or reinterpreted, or if new laws and regulations become applicable to the Issuer's operations. Such costs could have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer's anticipated business is subject to federal, state and local laws and regulations as interpreted and enforced by governmental authorities possessing jurisdiction over various aspects of the exploration for, and the production and transportation of, natural gas. Failure to comply with such laws and regulations, including any evolving interpretation and enforcement by governmental authorities, could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Changes to existing or new regulations may unfavourably impact the Issuer, could result in increased operating costs and have a material adverse effect on the Issuer's financial condition and results of operations. Such potential regulations could increase the Issuer's operating costs, reduce the Issuer's liquidity, delay or halt the Issuer's acquisitions or subsequent operations or otherwise alter the way the Directors conduct the Issuer's business, which could in turn have a material adverse effect on the Issuer's financial condition, results of operations and cash flows. Further, the discharges of oil, natural gas, natural gas liquids and other

pollutants into the air, soil or water may give rise to significant liabilities on the Issuer's part to the government and third parties.

The unavailability or high cost of additional stimulation tools or drilling rigs, equipment, supplies, personnel and oilfield services could adversely affect the Issuer's ability to execute the Issuer's plans within the Issuer's budget and on a timely basis

The demand for qualified and experienced field personnel to stimulate or drill wells and conduct field operations, geologists, geophysicists, engineers and other professionals in the oil industry can fluctuate significantly, often in correlation with oil prices, causing periodic shortages. Historically, there have been shortages of stimulation tools, drilling and workover rigs, pipe and other equipment as demand for rigs and equipment has increased along with the number of wells being drilled. The Directors cannot predict whether these conditions will exist in the future and, if so, what their timing and duration will be. Such shortages could delay or cause the Issuer to incur significant expenditures that are not provided for in the Issuer's capital budget, which could have a material adverse effect on the Issuer's business, financial condition or results of operations.

Competition in the oil industry is intense, making it more difficult for the Issuer to acquire properties, market hydrocarbons and secure trained personnel

The Issuer's ability to acquire additional prospects and to find and develop reserves in the future will depend on the Issuer's ability to evaluate and select suitable properties and to consummate transactions in a highly competitive environment for acquiring properties, marketing oil and securing trained personnel. Also, there is substantial competition for capital available for investment in the oil industry. Many of the Issuer's competitors possess and employ financial, technical and personnel resources substantially greater than those of the Issuer. Those companies may be able to pay more for productive oil properties and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than the Issuer's financial or personnel resources permit. In addition, other companies may be able to offer better compensation packages to attract and retain qualified personnel than the Directors are able to offer. The cost to attract and retain qualified personnel has increased in recent years due to competition and may increase substantially in the future. The Directors may not be able to compete successfully in the future in acquiring prospective reserves, developing production and reserves, marketing hydrocarbons, attracting and retaining quality personnel and raising additional capital, which could have a material adverse effect on the Issuer's business.

Risk Relating to the Bonds

The Bonds may be converted into unlisted Ordinary Shares

The Bonds may be converted into unlisted Ordinary Shares (A) mandatorily on the Maturity Date, (B) at the option of the Issuer upon the occurrence of an Asset Sale or (C) at the option of Bondholders upon the occurrence of a Change of Control of the Issuer or an Event of Default.

If the Bonds are converted into Ordinary Shares in those circumstances, there will be no trading market for the Ordinary Shares and one may never develop. If a market in unlisted Ordinary Shares does develop, it may not be very liquid. Therefore, investors may not be able to sell their unlisted Ordinary Shares easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of unlisted Ordinary Shares.

A Qualifying IPO may not take place prior to the Maturity Date

The Bonds may be converted into Ordinary Shares at the option of the Issuer following the occurrence of a Qualifying IPO, in accordance with the procedures set out in the Conditions.

The timing and location of any Qualifying IPO is uncertain. In addition, the ability of the Issuer to effect a Qualifying IPO will be subject to a variety of factors, including stock exchange listing approval and financial market conditions. Also, the Issuer may effect a transaction which is similar in effect to a Qualifying IPO but does not meet the relevant criteria set out in the Conditions. Accordingly, such a transaction would not give rise to conversion of the Bonds and may also reduce the likelihood of a Qualifying IPO occurring in the future.

Therefore there can be no assurance that a Qualifying IPO will take place during the life of the Bonds. In these circumstances, no conversion option for the Issuer will arise and the Bonds will be converted into unlisted Ordinary Share on the Maturity Date (see “— *The Bonds may be converted into unlisted Ordinary Shares*” for the risks associated with conversion into unlisted Ordinary Shares).

Bondholders have limited anti-dilution protection

As at the date of this Offering Circular, the number of Ordinary Shares in issue was 50,000, and if the Bonds were converted in full at the initial Conversion Price, Bondholders would (immediately following Conversion) hold in aggregate 80 per cent. of the total issued Ordinary Shares (the “**Underlying Entitlement**”). However, the conversion price at which the Bonds may be converted into Ordinary Shares (the “**Conversion Price**”) may be adjusted in certain circumstances.

Whilst certain of the adjustments set out in Condition 9 (*Conversion Price Adjustments*) are designed to maintain the Underlying Entitlement, the Underlying Entitlement may be reduced if the Issuer issues Ordinary Shares or other equity-related Securities unless the Issuer decides otherwise in its sole discretion.

There is no limit on the amount by which the Underlying Entitlement may be reduced and, consequently, if the Bonds were converted in full, Bondholders may (immediately following Conversion) hold in aggregate significantly less than 80 per cent. of the total issued Ordinary Shares.

Dilution on a Qualifying IPO

The Bonds may be converted into Ordinary Shares at the option of the Issuer following the occurrence of a Qualifying IPO, in accordance with the procedures set out in the Conditions.

Conversion of the Bonds upon the occurrence of a Qualifying IPO shall be deemed to occur immediately prior to Admission. Consequently, depending on the number of new Ordinary Shares issued as part of the Qualifying IPO, Bondholders may (immediately following Admission) hold in aggregate significantly less Ordinary Shares than the Underlying Entitlement.

Risks attached to the Conversion

Investors should be aware that the Bonds, which are convertible into Ordinary Shares, bear certain additional risks. Depending on the performance of the underlying Ordinary Shares, the value of the underlying Ordinary Shares may be substantially lower than when the Bonds were initially purchased. In addition, the value of the Ordinary Shares to be delivered upon conversion of the Bonds may vary substantially between the date on which the Issuer or the relevant Bondholder (as the case may be) exercises its right to convert the Bonds in full or its holding of Bonds (as the case may be) and the date on which such Ordinary Shares are delivered.

The Bonds may be redeemed prior to maturity

The Conditions provide that the Bonds are redeemable at the Issuer's option prior to the Maturity Date in certain limited circumstances (see Condition 14.1 – *Redemption for Taxation Reasons*) and accordingly the Issuer may, if any such right of redemption arose, choose to redeem the outstanding Bonds at times when prevailing interest rates might be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Bonds.

Payments of interest may be deferred

The Issuer may elect, in its sole discretion, to defer payments of interest on the Bonds such that Bondholders may have to wait for up to 12 months in order to receive the interest falling to be paid on any particular Interest Payment Date.

Modification and waivers

The Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Bondholders:

- (A) agree to any modification to (*inter alia*) the Trust Deed or the Conditions, which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven or to comply with mandatory provisions of law;
- (B) agree to any modification of or addition to the Conditions as contemplated by the final paragraph of Condition 21.1;

- C) agree to any other modification to (*inter alia*) the Trust Deed or the Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of (*inter alia*) the Trust Deed or the Conditions which is (in the opinion of the Trustee) not materially prejudicial to the interests of the Bondholders and Couponholders; and
- (D) determine that any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such.

Any such modification, authorisation, waiver or determination shall be binding on all Bondholders and Couponholders.

Trustee indemnity, security and pre-funding

Upon the occurrence of an Event of Default, Bondholders may be required to provide an indemnity and/or security and/or pre-funding to the Trustee to its satisfaction as provided for in Condition 17 (*Events of Default*) before the Trustee gives notice to the Issuer accelerating the Bonds. The Trustee shall not be obliged to take any action if not indemnified and/or secured and/or pre-funded to its satisfaction. This may involve Bondholders incurring potentially significant expense upfront in order to accelerate the Bonds if an Event of Default occurs.

Inflation risk

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Bonds will be reduced at rising inflation rates and may be negative if the inflation rate rises above the nominal rate of interest on the Bonds.

Interest rate risks

The Bonds will bear a fixed rate of interest. Accordingly, any investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in U.S. dollars (save as contemplated by Condition 14.3). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease (A) the Investor's Currency-equivalent yield on the Bonds; (B) the Investor's Currency-equivalent value of the principal payable on the Bonds; and (C) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The Bonds will not have any credit rating

As at the date of this Offering Circular, independent credit rating agencies had not been asked to assign credit ratings to the Bonds. Whilst credit ratings are not a recommendation to buy, sell or hold securities, and may be revised or withdrawn by a rating agency at any time, they do indicate the relevant rating agency's opinion about the ability and willingness of an issuer to meet its financial obligations in accordance with the terms of those obligations and the credit quality of a particular issue of debt securities and the relative likelihood that the issuer may default.

Notwithstanding the foregoing, one or more independent credit rating agencies may assign credit ratings to the Bonds in the future. Any such ratings may not reflect the potential impact of all risks relating to the market, additional factors discussed above and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the relevant rating agency at any time.

Integral multiples

Investors who hold a principal amount of Bonds that is less than the minimum specified denomination will be adversely affected if definitive Bonds are subsequently required to be issued. The Bonds are issued in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (up to and including U.S.\$399,000). If definitive Bonds were to be issued, a Bondholder who holds less than U.S.\$200,000 in principal amount of the Bonds in its account with a relevant clearing system would not be able to receive a definitive Bond, and would need to purchase additional Bonds such that it holds at least a principal amount of U.S.\$200,000 in order to receive its definitive Bond(s).

EU Directive on the Taxation of Savings Income and other EU information exchange arrangements

Under European Directive 2003/48/EC on taxation of savings income (the “**Savings Directive**”), Member States are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual resident in another Member State, except that for a transitional period Austria instead operates a withholding system unless during that period it elects otherwise (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries and territories). The rate of withholding tax in Austria is 35 per cent. Certain other jurisdictions, including Switzerland, have enacted equivalent legislation which imposes a withholding tax in substantially the same circumstances as envisaged by the Savings Directive.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

On 9 December 2014, the Council of the European Union adopted a further Directive (EU Council Directive 2014/107/EU amending EU Council Directive 2011/16/EU) on the mandatory automatic exchange of information, to implement the OECD measures known as the “**Common Reporting Standard**”. Member States are required to implement this Directive in respect of taxable periods from 1 January 2016 and to begin exchanging information pursuant to such Directive no later than 30 September 2017 (subject to deferral under transitional rules in the case of Austria). The Common Reporting Standard is generally broader than the Savings Directive, although it does not impose withholding taxes.

On 10 November 2015, the Council of the European Union adopted EU Council Directive 2015/2060/EU repealing the Savings Directive with effect from 1 January 2016 (or 1 January 2017 in the case of Austria), subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates. The repeal of the Savings Directive is intended to prevent overlap between the Savings Directive and the Common Reporting Standard.

Holders of the Bonds should note that should any payment in respect of the Bonds be subject to withholding imposed as a consequence of the Savings Directive or under equivalent legislation, no additional amounts would be payable by the Issuer pursuant to the provisions of Condition 16 of the Terms and Conditions.

The Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Code, and U.S. Treasury regulations promulgated thereunder (together “**FATCA**”) impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a “**foreign financial institution**”, or “**FFI**” (as defined by FATCA)) that does not become a “Participating FFI” by entering into an agreement with the U.S. Internal Revenue Service (“**IRS**”) to provide the IRS with certain information in respect of its account holders or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any account holder (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such account holder is a U.S. person or should otherwise be treated as holding a “United States account” (as defined under FATCA) of the Issuer (a “**Recalcitrant Holder**”).

FATCA implementation is being phased in for payments from sources within the United States and is currently proposed to apply to “foreign passthru payments” (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2019. This withholding on foreign passthru payments would potentially apply to payments in respect of (i) any Bonds issued or materially modified on or after the “grandfathering date” which is the date that is six months after the date on which final U.S. Treasury regulations defining the term “foreign passthru payment” are filed with the Federal Register; and (ii) any Bonds characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Bonds are issued on or before the grandfathering date, and additional Bonds of the same series are issued after that date, the additional Bonds may not be treated as grandfathered, which may have negative consequences for the existing Bonds, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into or announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA

(each, an “**IGA**”). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a “Reporting Financial Institution” or “Reporting FI” (as defined by the IGA) that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a “**FATCA Withholding**”) from payments it makes (unless, in certain circumstances, it has agreed to do so under the U.S. “qualified intermediary”, “withholding foreign partnership”, or “withholding foreign trust” regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA requires Reporting FIs to apply FATCA Withholding to U.S. source payments in certain circumstances and leaves open the possibility that a Reporting FI might in the future be required to make FATCA Withholdings on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders to its home government or to the IRS unless it is treated as exempt from having “financial accounts” for FATCA purposes. The United States and the United Kingdom have entered into an agreement (the “**U.S.-UK IGA**”) based largely on the Model 1 IGA.

The Issuer is currently not expected to be required to make any FATCA Withholdings before 1 January 2019 (at the earliest) from the payments it makes. There can be no assurance, however, that the Issuer would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the Issuer and financial institutions through which payments on the Bonds are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Bonds is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Bonds, neither the Issuer nor any Paying and Conversion Agent nor any other person would, pursuant to the conditions of the Bonds, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Bonds are in global form and held within a clearing system, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Bonds by the Issuer or any Paying and Conversion Agent and the common depositary for such clearing system, given that each of the entities in the payment chain between the Issuer and the participants in the clearing system is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Bonds. The documentation expressly contemplates the possibility that, in certain specific circumstances, the Bonds may convert into definitive form and therefore cease to be held through a clearing system. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding. However, conversion into definitive bonds is only anticipated to occur in remote circumstances.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally

is unable to receive payments free of FATCA Withholding. It may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose the custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation implementing IGAs relating to FATCA, if applicable), and provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Bonds are discharged once it has paid the common depositary for the clearing system (as legal owner of the Bonds) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUER AND THE BONDS IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAs, AND THE IGA BETWEEN THE UNITED KINGDOM AND THE UNITED STATES, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND BONDHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCES.

Risks relating to the market generally

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (A) the Bonds are a lawful investment for it; (B) Bonds can be used as collateral for various types of borrowing; and (C) other restrictions apply to its purchase or pledge of any Bonds.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

There is currently no trading market for the Ordinary Shares

Prior to the occurrence of a Qualifying IPO, there will be no trading market for the Ordinary Shares. There is no assurance that a Qualifying IPO will occur or that a trading market for the Ordinary Shares will develop or be sustained after the Qualifying IPO, or that the price at which

the Ordinary Shares will trade in the public market subsequent to the Qualifying IPO will not be lower than the price at which the Ordinary Shares are offered in the Qualifying IPO. Even if a Qualifying IPO occurs, if no active trading market develops for the Ordinary Shares, investors may experience difficulty selling the Ordinary Shares issued on conversion of the Bonds.

No active trading market for the Bonds

The liquidity of any market for the Bonds will depend upon the number of holders of the Bonds and other factors. In addition, the Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds.

In addition, Bondholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Bonds. Such lack of liquidity may result in investors suffering losses on the Bonds in secondary re-sales even if there is no decline in the performance of the assets of the Issuer. The Issuer cannot predict which of these circumstances will change and whether (if and when they do change) there will be a more liquid market for the Bonds and instruments similar to the Bonds at that time.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to alteration and except for paragraphs in italics, are the terms and conditions substantially in the form in which they will be endorsed on each Bond in definitive form (if issued).

The issue of the U.S.\$6,020,000 6.00 per cent. Mandatory Convertible Bonds due 2022 (the “**Bonds**”, which expression shall, unless otherwise indicated, include any Further Bonds) was (save in respect of any Further Bonds) authorised by a resolution of the Board of Directors of Technology Enhanced Oil plc (the “**Issuer**”) passed on 30 December 2015. The Bonds are constituted by a trust deed dated 15 January 2016 (the “**Trust Deed**”) between the Issuer and U.S. Bank Trustees Limited (the “**Trustee**”, which expression shall include all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the Bondholders (as defined below). The statements set out in these terms and conditions (the “**Conditions**”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Bonds and the interest coupons relating to them (the “**Coupons**”). The Bondholders and Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions applicable to them which are contained in the Paying and Conversion Agency Agreement dated 15 January 2016 (the “**Agency Agreement**”) relating to the Bonds between the Issuer, the Trustee and Elavon Financial Services Limited, UK Branch (the “**Principal Paying and Conversion Agent**”, which expression shall include any successor as Principal Paying and Conversion Agent under the Agency Agreement), the Paying and Conversion Agents for the time being (such persons, together with the Principal Paying and Conversion Agent, being referred to below as the “**Paying and Conversion Agents**”, which expression shall include their successors as Paying and Conversion Agents under the Agency Agreement).

Copies of the Trust Deed and the Agency Agreement are available for inspection at the office of the Trustee at Fifth Floor, 125 Old Broad Street, London EC2N 1AR, United Kingdom, and at the specified offices of the Paying and Conversion Agents.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

1. **Form, Denomination, Title and Status**

1.1 **Form and Denomination**

The Bonds are serially numbered and in bearer form in the denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof up to (and including) U.S.\$399,000 each with Coupons attached on issue.

1.2 **Title**

Title to the Bonds and Coupons will pass by delivery. The holder of any Bond or Coupon will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss or anything written on it) and no person will be liable for so treating the holder.

1.3 **Status**

The Bonds and Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 2) unsecured obligations of the Issuer ranking *pari passu* and rateably, without any preference among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer but, in the event of a winding-up of the Issuer, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

2. **Negative Pledge**

So long as any Bond or Coupon remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of its Subsidiaries will, create or have outstanding any Relevant Security upon or with respect to the whole or any part of any of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any existing or future Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, unless, simultaneously with or prior to the creation of such Relevant Security, either:

- (A) all amounts payable by the Issuer under the Bonds, the Coupons and the Trust Deed are secured equally and rateably by such Relevant Security to the satisfaction of the Trustee, or
- (B) such other security, guarantee, indemnity or other arrangement is provided as either (1) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (2) shall be approved by an Extraordinary Resolution of the Bondholders,

save that any such Subsidiary may have outstanding Relevant Security upon the whole or any part of its property, assets or revenues, present or future, to secure Relevant Indebtedness and/or a guarantee of or indemnity in respect of Relevant Indebtedness (without the obligation to provide Relevant Security) where such Relevant Security (1) is over the whole or any part of the property, assets or revenues of a company becoming a Subsidiary of the Issuer after 15 January 2016 and (2) exists at the time that company becomes a Subsidiary of the Issuer provided that such Relevant Security was not created in contemplation of such company becoming a Subsidiary of the Issuer and the principal amount secured at the time of that company becoming a Subsidiary of the Issuer is not subsequently increased.

3. **Definitions**

In these Conditions, unless otherwise provided:

“**Accrued Conversion Interest**” means interest accrued on the Bonds from (and including) the Interest Payment Date immediately preceding the Conversion Date, QIPO Effective Date or the Maturity Date, as the case may be (or, if none, the Issue Date), to (but excluding) the Conversion Date, the QIPO Effective Date or the Maturity Date (as the case may be);

“**Admission**” has the meaning provided in Condition 6.1;

“**Asset**” has the meaning provided in Condition 18(D);

“**Asset Sale**” has the meaning provided in Condition 6.2;

“Asset Sale Completion Date” means the date of financial completion of an Asset Sale, as certified to the Trustee in writing by the Issuer;

“Asset Sale Mandatory Conversion” has the meaning provided in Condition 6.2;

“Asset Sale Notice” has the meaning provided in Condition 6.2;

“Bondholder” means the holder of any Bond;

“Bondholder Conversion Event” has the meaning provided in Condition 7;

“Bondholder Optional Conversion” has the meaning provided in Condition 7;

“Bondholder Optional Conversion Period” has the meaning provided in Condition 7;

“business day” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place;

a **“Change of Control”** shall occur if a person or persons, acting together, acquires control of the Issuer and where “control” means (A) the acquisition or holding or legal or beneficial ownership or control of more than 50 per cent. of the voting rights of the Issuer or (B) the right to appoint and/or remove all or the majority of the members of the Issuer’s Board of Directors or other governing body, whether obtained directly or indirectly and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise;

“Companies Act” means the Companies Act 2006;

“Conversion” means Mandatory Conversion, QIPO Conversion, Issuer Asset Sale Optional Conversion, Asset Sale Mandatory Conversion or Bondholder Optional Conversion, as the case may be;

“Conversion Date” means the London business day immediately following the date of the delivery of the relevant Bond and the Conversion Notice as provided in Condition 10;

“Conversion Notice” means a notice of Conversion;

“Conversion Price” has the meaning provided in Condition 8;

“Conversion Right” has the meaning provided in Condition 7;

“Couponholder” means the holder of any Coupon;

“Deferred Interest Payment” has the meaning given to such term in Condition 4.3 and shall (where the context so permits) include any interest accrued thereon pursuant to Condition 4.4;

“Dividend” means any dividend or distribution to shareholders whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to holders upon or in connection with a reduction of capital;

“Event of Default” has the meaning provided in Condition 17;

“Extraordinary Resolution” has the meaning provided in the Trust Deed;

“Financial Indebtedness” means any present or future indebtedness in respect of moneys borrowed or raised including (but not limited to):

- (A) moneys borrowed and debit balances at banks and other financial institutions;
- (B) any debenture, note, bond, loan stock or other security;
- (C) receivables sold or discounted with recourse;
- (D) acquisition costs of any asset;
- (E) finance leases;
- (F) net amount owing under any currency or interest swap, cap or collar arrangements or any other derivative or hedging instrument;
- (G) any acceptance credit;
- (H) amounts raised under any other transaction having the commercial effect of a borrowing or raising of money; or
- (I) any guarantee, indemnity or similar assurance against financial loss in respect of any items falling within (A) to (H) above;

“Further Bonds” means any further Bonds issued pursuant to Condition 25 and consolidated and forming a single series with the then outstanding Bonds;

“Group” means the Issuer and its Subsidiaries taken as a whole;

“Independent Appraiser” means an investment banking, accountancy or appraisal or construction consultancy firm of international standing appointed at its own expense by the Issuer or the relevant Subsidiary, as the case may be and approved in writing by the Trustee, which is independent from all members of the Group;

“Independent Financial Adviser” means an independent financial institution of international repute or independent financial adviser with appropriate expertise appointed at its own expense by the Issuer and approved in writing by the Trustee;

“Interest Payment Date” has the meaning provided in Condition 4.1;

“Issuer Asset Sale Optional Conversion” has the meaning provided in Condition 6.2;

“Issue Date” means 15 January 2016;

“Latest Date” means, in respect of any judgment, the latest of:

- (A) the entry of such judgment; and
- (B) if such judgment specifies a date by which it must be satisfied, the date so specified;

“London Stock Exchange” means the London Stock Exchange plc;

“Mandatory Conversion” has the meaning provided in Condition 5;

“Maturity Date” means 15 January 2022;

“Notice Cut-Off Date” has the meaning provided in Condition 10;

“Ordinary Shares” means fully paid ordinary shares in the capital of the Issuer with, on the Issue Date, a par value of £1.00 each;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

“**pounds sterling**” or “**£**” means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland;

“**Presentation Date**” means a day which:

- (A) is or falls after the relevant due date for payment, but, if the due date for payment is not or was not a business day in New York City (or, if the Issuer elects to make payment in sterling pursuant to Conditions 14.3, London), is or falls after the next following such business day; and
- (B) is a business day in the place of the specified office of the Paying and Conversion Agent at which the Bond or Coupon is presented for payment;

“**Prevailing Rate**” means, in respect of any currencies on any day, the rate determined by an Independent Financial Adviser to be the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (London time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (London time) on the immediately preceding day on which such rate can be so determined or if such rate cannot be determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Financial Adviser shall consider appropriate;

“**Project Finance Indebtedness**” means any indebtedness (other than such indebtedness incurred by the Issuer) incurred to finance or refinance the ownership, acquisition, construction, development and/or operation of an asset or portfolio of assets in respect of which the person or persons to whom such indebtedness is or may be owed by the relevant borrower (whether or not a member of the Group) have no recourse whatsoever to any member of the Group for the repayment of or a payment of any sum relating to such indebtedness other than:

- (A) recourse to such borrower for amounts limited to the aggregate cash flow or net cash flow (other than historic cash flow or historic net cash flow) from such assets; and/or
- (B) recourse to such borrower for the purpose only of enabling amounts to be claimed in respect of such indebtedness in an enforcement of any encumbrance given by such borrower over such assets or the income, cash flow or other proceeds deriving therefrom to secure such indebtedness or any encumbrance given by any holding company of the borrower over any equity in the borrower (except where, in relation to the grant of any encumbrance over the equity in the borrower, the borrower is a Subsidiary of the Issuer (other than a Subsidiary which is a single purpose company whose principal assets and business are constituted by the ownership, acquisition, financing, development and/or operation of an asset or a portfolio of assets and the indebtedness (in respect of which such encumbrance has been granted) has been incurred in connection with the financing of the ownership, acquisition, development and/or operation of such asset or portfolio of assets)) or any recourse referred to in (C) below, provided that (1) the extent of such recourse to such borrower is limited solely to the amount of any recoveries made on any such enforcement; and (2) such person or

persons is or are not entitled, by virtue of any right or claim arising out of or in connection with such indebtedness, to commence proceedings for the winding-up or dissolution of the borrower or to appoint or procure the appointment of any receiver, trustee or similar person or officer in respect of the borrower or any of its assets (save for the assets the subject of such encumbrance); and/or

- (C) recourse to such borrower generally or directly or indirectly to a member of the Group (other than the Issuer) under, in each case, any form of completion guarantee, assurance or undertaking, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specific way) for breach of an obligation (not being a payment obligation or an obligation to procure payment by another or an obligation to comply or to procure compliance by another with any financial ratios or other tests of financial condition) by the person against whom such recourse is available; and/or
- (D) recourse to another member of the Group (including the Issuer) in respect of any contractual commitment to provide equity or subordinated debt or in respect of letters of credit or guarantees relating to any such equity commitment or subordinated debt and in each case were entered into as an initial and integral part of such Project Finance Indebtedness.

The Trustee may call for and will be entitled to rely (without any liability or responsibility to any person for so doing) on a certificate from the Issuer as to whether any indebtedness constitutes Project Finance Indebtedness, and shall not have any duty to investigate or verify any facts relating to the same.

“QIPO Conversion” has the meaning provided in Condition 6.1;

“QIPO Effective Date” has the meaning provided in Condition 6.1;

“QIPO Price” has the meaning provided in Condition 6.1;

“Qualifying Exchange” has the meaning provided in Condition 6.1;

“Redemption Amount” has the meaning provided in Condition 14.3;

“Relevant Amount” has the meaning provided in Condition 17;

“Relevant Date” means, in respect of any Bond or Coupon, whichever is the later of:

- (A) the date on which payment in respect of it first becomes due; and
- (B) if any payment is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 24 that, upon further presentation of the Bond or Coupon, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions;

“Relevant Page” means the relevant page on Bloomberg or such other information service provider that displays the relevant information;

“Relevant Indebtedness” means any present or future indebtedness (whether being principal, interest or other amounts) in the form of, or represented or evidenced by, bonds, notes, depositary receipts, debentures, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash, and which are for the time being, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange and/or quotation system or over-the-counter or by any listing authority or other securities market but excluding any Project Finance Indebtedness;

“Relevant Security” means any mortgage, charge, lien, pledge or other charge, encumbrance or security interest;

“Securities” means any options, warrants or other rights (howsoever described) to convert into or exchange or subscribe for or purchase or receive Ordinary Shares.

“Settlement Date” means:

- (A) in the case of Mandatory Conversion on the Maturity Date, the Maturity Date;
- (B) in the case of QIPO Conversion, the QIPO Effective Date;
- (C) in the case of Issuer Asset Sale Optional Conversion or Asset Sale Mandatory Conversion, the Asset Sale Completion Date; or
- (D) in the case of Bondholder Optional Conversion pursuant to Condition 7, the date falling 5 London business days after the relevant Conversion Date;

“SGX-ST” means the Singapore Exchange Securities Trading Limited;

“Shareholders” means the holders of Ordinary Shares from time to time;

“Subsidiary” has the meaning provided in Section 1159 of the Companies Act;

“Tax Redemption Date” has the meaning provided in Condition 14.1;

“Tax Redemption Notice” has the meaning provided in Condition 14.1;

“Underlying Value” has the meaning provided in Condition 6.2;

“U.S. dollar” or **“U.S.\$”** means the lawful currency for the time being of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia; and

“Voting Rights” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency) or to elect the majority of the members of the Board of Directors or other governing body of the Issuer.

References to **“interest”** shall (where the context so permits) include Deferred Interest Payments and any interest accruing on any Deferred Interest Payment.

References to **“ordinary share capital”** has the meaning provided in Section 1119 of the Corporation Tax Act 2010 and **“equity share capital”** has the meaning provided in Section 548 of the Companies Act.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

4. **Interest**

4.1 **Interest Rate**

The Bonds bear interest from (and including) 15 April 2016 (the “**Interest Commencement Date**”) at the rate of 6.00 per cent. per annum, payable (subject to Condition 4.3) quarterly in arrear in equal instalments on 15 January, 15 April, 15 July and 15 October in each year (each an “**Interest Payment Date**”), except that the first payment of interest to be made on 15 July 2016 will be made in respect of the period from (and including) the Interest Commencement Date to (but excluding) 15 July 2016 and will amount to U.S.\$15.00 per U.S.\$1,000 in principal amount of the Bonds.

Interest in respect of any Bond shall be calculated per U.S.\$1,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any Interest Period shall be U.S.\$15.00.

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and (in the case of an incomplete month) the number of days elapsed.

In these Conditions, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an “**Interest Period**”.

4.2 **Accrual of Interest**

Each Bond will cease to bear interest:

- (A) in the case of Mandatory Conversion on the Maturity Date pursuant to Condition 5, with effect from the Maturity Date;
- (B) in the case of QIPO Conversion pursuant to Condition 6.1 from (and including) the QIPO Effective Date;
- (C) in the case of Issuer Asset Sale Optional Conversion pursuant to Condition 6.2(A) or Asset Sale Mandatory Conversion pursuant to Condition 6.2(B), from (and including) the relevant Asset Sale Completion Date;
- (D) in the case of Bondholder Optional Conversion pursuant to Condition 7, from (and including) the relevant Conversion Date; and
- (E) in the case of a redemption of the Bonds pursuant to Condition 14.1, from the due date for redemption.

Notwithstanding the foregoing, if upon due presentation of the relevant Bond delivery of any Ordinary Shares upon any such Conversion is improperly withheld or refused or

payment of principal is improperly withheld or refused interest shall continue to accrue on such Bond at the rate specified in Condition 4.2 (both before and after judgment) up to, but excluding the Relevant Date.

4.3 **Deferral of Interest**

The Issuer may elect, subject as provided below, to defer any interest payment scheduled to be paid on an Interest Payment Date by giving notice of such election to the Bondholders (in accordance with Condition 24), the Trustee and the Principal Paying and Conversion Agent not less than 15 business days in New York City and London prior to the relevant Interest Payment Date. Any interest payment which the Issuer elects to defer pursuant to this Condition 4.3 and which has not been satisfied is referred to as a “**Deferred Interest Payment**”.

The Issuer may satisfy any Deferred Interest Payment, together with any interest accrued on such Deferred Interest Payment pursuant to Condition 4.4, by payment in cash at any time upon the expiry of not less than 10 business days in New York City and London notice to such effect given by the Issuer to the Bondholders (in accordance with Condition 24), the Trustee and the Principal Paying and Conversion Agent.

Notwithstanding the foregoing, the Issuer shall be obliged to satisfy any Deferred Interest Payment, together with any interest accrued on such Deferred Interest Payment pursuant to Condition 4.4, by payment in cash upon the occurrence of the first of the following to occur:

- (A) Mandatory Conversion on the Maturity Date;
- (B) redemption of the Bonds pursuant to Condition 14.1;
- (C) acceleration of the Bonds following an Event of Default pursuant to Condition 17;
- (D) QIPO Conversion upon the occurrence of a Qualifying IPO, an Issuer Asset Sale Optional Conversion pursuant to Condition 6.2(A), an Asset Sale Mandatory Conversion pursuant to Condition 6.2(B) or a Bondholder Optional Conversion pursuant to Condition 7; and
- (E) in relation to any Deferred Interest Payment relating to any particular Interest Payment Date, the date falling 12 months following such Interest Payment Date.

Notwithstanding any other provision in these Conditions or the Trust Deed, the deferral of any interest payment by virtue of this Condition 4.3 shall not constitute a default for any purpose (including, without limitation, Condition 17(A)) on the part of the Issuer.

4.4 **Interest Payable on Deferred Interest Payments**

Any interest payment deferred in accordance with Condition 4.3 shall itself bear interest at the rate of 10 per cent. per annum, compounded monthly. The amount of interest payable on any Deferred Interest Payment shall be determined on the basis of a 360-day year consisting of 12 months of 30 days each and (in the case of an incomplete month) the number of days elapsed.

5. **Mandatory Conversion on Maturity Date**

Unless previously purchased and cancelled, redeemed or converted, the Bonds will be automatically and mandatorily converted at the Conversion Price into Ordinary Shares, credited as fully paid, on the Maturity Date (“**Mandatory Conversion**”).

6. **Conversion following Qualifying IPO or Asset Sale**

6.1 **Qualifying IPO**

Subject to and as provided in these Conditions, if a QIPO Effective Date occurs on or prior to the Maturity Date, unless previously redeemed or purchased and cancelled in accordance with these Conditions, the Issuer may elect that all but not some only of the Bonds will be automatically and mandatorily converted into Ordinary Shares, credited as fully paid, at the Conversion Price on the QIPO Effective Date (“**QIPO Conversion**”).

The Issuer will notify the Trustee and (in accordance with Condition 24) the Bondholders of a proposed Qualifying IPO (the “**Notice of Qualifying IPO**”) and its election for QIPO Conversion as soon as practicable following the first public announcement by or on behalf of the Issuer of the intention to make a public offering that would reasonably be expected to constitute a Qualifying IPO. The Notice of Qualifying IPO shall also specify:

- (A) that the proposed Qualifying IPO is expected to meet the criteria for being a Qualifying IPO, and the basis on which the Issuer has determined this to be the case;
- (B) the date on which Admission is expected to occur (the “**Admission Date**”);
- (C) the Qualifying Exchange on which the Ordinary Shares are to be listed and admitted to trading; and
- (D) such other information relating to the Qualifying IPO and QIPO Conversion as the Trustee may require.

The Issuer will also notify the Trustee and (in accordance with Condition 24) the Bondholders as soon as reasonably practicable of the proposed QIPO Effective Date and of the Notice Cut-Off Date.

Conversion of the Bonds shall be deemed to occur immediately prior to Admission. If, following the giving of a Notice of Qualifying IPO and the delivery of any Bonds pursuant to Condition 10, for any reason Admission does not occur by the Admission Date (or any later date for Admission notified to the Trustee and (in accordance with Condition 24) the Bondholders) or any proposed Qualifying IPO does not meet the criteria for being a Qualifying IPO at the time of Admission, then no Conversion of the Bonds shall be deemed to have occurred and the relevant Bond(s) will be returned (by uninsured mail and at the risk of the relevant Bondholder) to the Bondholder at the address specified in the relevant Conversion Notice.

Where Ordinary Shares are to be issued to Bondholders on any Conversion, the Issuer will on (or as soon as practicable following, and in any event not later than three business days in the place of the location of the relevant share register after) the QIPO

Effective Date (a) register the person or persons designated for the purpose by the Bondholder in the relevant Conversion Notice as holder(s) of the relevant number of Ordinary Shares in the Issuer's share register and will take all necessary action to enable the Ordinary Shares to be delivered through the relevant securities clearing system and to be admitted to listing and to trading on the Qualifying Exchange or (b) if not so eligible to be so delivered, will make such certificate or certificates available for collection at the office of the Issuer's share registrar notified to Bondholders in accordance with Condition 24 or, if so requested in writing by the relevant Bondholder, cause its share registrar to mail (at the risk and, if sent at the request of such person otherwise than by ordinary mail, at the expense of the person to whom such certificate or certificates were sent) such certificate or certificates to the person at the place specified in writing by the Bondholder in the relevant Conversion Notice.

In these Conditions:

"Admission" means the admission of the entire issued ordinary share capital of the Issuer to trading on a Qualifying Exchange.

"Pricing Date" means the date on which the final offer or sale price of the Ordinary Shares in respect of the Qualifying IPO is first publicly announced.

"QIPO Effective Date" means the date on which the Ordinary Shares are admitted to listing and trading on a Qualifying Exchange pursuant to a Qualifying IPO.

"QIPO Price" means the price per Ordinary Share at which the Ordinary Shares are offered and sold in the QIPO, which amount, if not in U.S. dollars, shall be translated into U.S. dollars at the Prevailing Rate as at the relevant Pricing Date (such translation being rounded, if necessary to four decimal places with U.S.\$0.00005 being rounded up)).

"Qualifying IPO" means either:

- (A) an offering and sale to investors of Ordinary Shares by the Issuer for subscription or sale for cash, accompanied by Admission, where the QIPO Price is higher than 130 per cent. of the Conversion Price on the QIPO Effective Date; or
- (B) Admission (where not accompanied by any offering and sale to investors of Ordinary Shares by the Issuer for subscription or sale for cash), where the value of an Ordinary Share at the time of Admission on the QIPO Effective Date is higher than 130 per cent. of the Conversion Price on the QIPO Effective Date.

"Qualifying Exchange" means:

- (A) AIM, a market of the London Stock Exchange;
- (B) ASX Limited, a market of the Australian Securities Exchange;
- (C) the Toronto Stock Exchange; or
- (D) such other stock exchange(s) as may be approved by an Extraordinary Resolution of the Bondholders.

6.2 Asset Sale

If the Issuer has received and intends to accept an offer to sell all or substantially all of its assets to a third party (an “**Asset Sale**”) then it shall give notice (an “**Asset Sale Notice**”) of such intention to the Trustee and (pursuant to Condition 24) the Bondholders and:

- (A) *Issuer Asset Sale Optional Conversion*: if, upon conversion in full of the Bonds at the Conversion Price, the Underlying Value per Bond in the principal amount of U.S.\$1,000 would be more than or equal to U.S.\$1,300, then the Issuer may accept the Asset Sale and the Bonds may be converted into Ordinary Shares, credited as fully paid, at the option of the Issuer in whole (but not in part only) at the Conversion Price on the Asset Sale Completion Date (“**Issuer Asset Sale Optional Conversion**”); and
- (B) *Issuer Asset Sale Mandatory Conversion*: if, upon conversion in full of the Bonds at the Conversion Price, the Underlying Value per Bond in the principal amount of U.S.\$1,000 would be less than U.S.\$1,300, then the Issuer shall convene a meeting of Bondholders to determine whether the Issuer may accept the Asset Sale. If at a duly convened meeting of Bondholders the Bondholders determine by way of Extraordinary Resolution that the Issuer may accept the Asset Sale then this decision shall be binding on the Issuer and the Bondholders and the Bonds shall be converted mandatorily into Ordinary Shares, credited as fully paid, in whole (but not in part only) at the Conversion Price on the Asset Sale Completion Date (“**Asset Sale Mandatory Conversion**”).

In these Conditions:

“**Calculation Date**” means the date on which the Underlying Value is calculated for purposes of this Condition 6.2; and

“**Underlying Value**” means, in respect of a Bond in the principal amount of U.S.\$1,000, an amount calculated as follows:

$$UV = (PA / CP) \times (TAC / NS)$$

Where:

“UV” = the Underlying Value

“PA” = U.S.\$1,000

“CP” = the Conversion Price in effect on the Calculation Date

“TAC” = the total gross consideration (translated, if not in U.S. dollars, into U.S. dollars at the Prevailing Rate) receivable by the Issuer for the Asset Sale (including, for the avoidance of doubt, the amount of any deferred consideration payable in respect of the Asset Sale)

“NS” = the sum of (i) the aggregate number of Ordinary Shares in issue on the relevant Calculation Date and (ii) the number of Ordinary Shares

falling to be issued on conversion in full of the Bonds at the Conversion Price prevailing on the Conversion Date.

An Asset Sale Notice shall specify:

- (A) the Issuer's intention to accept the Asset Sale;
- (B) all information which the Issuer (acting reasonably) considers material to Bondholders concerning the Asset Sale;
- (C) the Underlying Value and Calculation Date;
- (D) if applicable, whether the Issuer has elected to convert the Bonds into Ordinary Shares pursuant to Condition 6.2(A);
- (E) if applicable, details of any meeting of Bondholders convened pursuant to Condition 6.2(B);
- (F) the prevailing Conversion Price, TAC and NS (each as defined above); and
- (G) such other information relating to the Asset Sale as the Trustee may require.

The Trustee may call for and will be entitled to rely (without any liability or responsibility to any person for so doing) on a certificate from the Issuer as to the calculation of Underlying Value, and shall not have any duty to investigate or verify any facts relating to the same.

7. Bondholder Optional Conversion

Subject to and as provided in these Conditions, each Bond shall entitle the holder to convert such Bond into new Ordinary Shares, credited as fully paid (a "**Conversion Right**") at the Conversion Price at any time during the applicable Bondholder Optional Conversion Period if a Bondholder Conversion Event occurs ("**Bondholder Optional Conversion**").

In these Conditions:

"**Bondholder Conversion Event**" means:

- (A) the occurrence of a Change of Control of the Issuer; or
- (B) the occurrence of an Event of Default; and

"**Bondholder Optional Conversion Period**" means (1) where a Change of Control of the Issuer has occurred, the period commencing on the occurrence of the Change of Control and ending 21 calendar days following the Change of Control or, if later, 21 calendar days following the date on which notice of the Change of Control is given to Bondholders as required by this Condition 7, or (2) where an Event of Default has occurred, the period commencing on the occurrence of the Event of Default and ending 5 calendar days after the date of occurrence of the Event of Default or, if later, 5 calendar days following the date on which notice of the Event of Default is given to Bondholders as required by this Condition 7.

The Issuer shall give notice to the Trustee and (in accordance with Condition 24) the Bondholders of the occurrence of any Bondholder Conversion Event. The notice shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights as provided in these Conditions and shall also specify:

- (A) all information which the Issuer (acting reasonably) considers material to Bondholders concerning the relevant Bondholder Conversion Event;
- (B) the applicable Bondholder Optional Conversion Period;
- (C) the prevailing Conversion Price; and
- (D) such other information relating to the Bondholder Conversion Event as the Trustee may require.

The Trustee may call for and will be entitled to rely (without any liability or responsibility to any person for so doing) on a certificate from the Issuer as to occurrence of a Bondholder Conversion Event, and shall not have any duty to investigate or verify any facts relating to the same.

8. **Conversion Price and Number of Ordinary Shares to be issued on Conversion**

On any Conversion, the number of Ordinary Shares to be issued shall be determined by dividing the principal amount of the Bonds to be converted by the conversion price (the “**Conversion Price**”) in effect on the relevant Conversion Date (in the case of Bondholder Optional Conversion) or Notice Cut-Off Date (in the case of QIPO Conversion, Mandatory Conversion, Issuer Asset Sale Optional Conversion or Asset Sale Mandatory Conversion).

The initial Conversion Price is U.S.\$30.10 per Ordinary Share. The Conversion Price is subject to adjustment in the circumstances described in Condition 9.

On the Issue Date the number of Ordinary Shares in issue is 50,000, and if the Bonds were converted in full at the initial Conversion Price Bondholders would (immediately following the Conversion) hold in aggregate 80 per cent. of the total issued Ordinary Shares.

9. **Conversion Price Adjustments**

Upon the happening of any of the events described below, the Conversion Price shall be adjusted as follows:

- (A) If and whenever there shall be a consolidation, re-classification, re-designation or sub-division in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such consolidation, re-classification, re-designation or sub-division by the following fraction:

A / B

where:

- “A” is the aggregate number of Ordinary Shares in issue immediately before such consolidation, re-classification, re-designation or sub-division, as the case may be; and
- “B” is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, re-classification, re-designation or sub-division, as the case may be.

Such adjustment shall become effective on the date the consolidation, re-classification, re-designation or sub-division, as the case may be, takes effect.

- (B) If and whenever the Issuer shall issue any Ordinary Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

A / B

where:

“A” is the aggregate number of Ordinary Shares in issue immediately before such issue; and

“B” is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares.

- (C) If and whenever the Issuer issues any Further Bonds, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

A / B

where:

“A” is the aggregate principal amount of the Bonds (including the relevant Further Bonds) outstanding immediately after the issue of the relevant Further Bonds;

“B” is the aggregate principal amount of the Bonds outstanding immediately prior to the issue of the relevant Further Bonds.

- (D) If and whenever the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer) any other company, person or entity shall issue any Ordinary Shares (whether directly or indirectly following the exercise of any Securities), the Issuer shall, at its own expense and acting reasonably, request an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination. In making any determination pursuant to this Condition 9(D), the relevant Independent Financial Adviser shall follow, in particular, the principle that the Principal Shareholder's aggregate ownership interest in the Issuer at the relevant time shall not be diluted by the relevant issue of Ordinary Shares unless the Principal Shareholder shall, in its sole discretion, decide otherwise. In this Condition 9(D), “**Principal Shareholder**” means Iskandia Energy Limited.

- (E) If the Issuer (after consultation with the Trustee) determines that an adjustment should be made to the Conversion Price as a result of one or more circumstances not referred to above in this Condition 7, the Issuer shall, at its own expense and acting reasonably,

request an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this Condition 7(E) if such Independent Financial Adviser is so requested to make such a determination not more than 21 calendar days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

10. **Procedure for Mandatory Conversion, QIPO Conversion, Issuer Asset Sale Optional Conversion or Asset Sale Mandatory Conversion**

In order to obtain delivery of the relevant Ordinary Shares on a Conversion of a Bond, the relevant Bondholder must deliver the relevant Bond to the specified office of any Paying Conversion Agent, during its usual business hours, accompanied by a duly completed and signed Conversion Notice in the form (for the time being current) obtainable from any Paying and Conversion Agent at least five business days in the relevant place of delivery prior to the Maturity Date (in the case of Mandatory Conversion), the QIPO Effective Date (in the case of QIPO Conversion) or the Asset Sale Completion Date (in the case of Issuer Asset Sale Optional Conversion or Asset Sale Mandatory Conversion (the “**Notice Cut-off Date**”).

Subject as provided herein, the relevant Ordinary Shares will be issued and delivered by no later than the relevant Settlement Date in accordance with the instructions given in the relevant Conversion Notice, provided the Conversion Notice and the relevant Bonds are delivered not later than the relevant Notice Cut-off Date.

If the Conversion Notice and relevant Bonds are not delivered to the specified office of a Paying and Conversion Agent on or before the Notice Cut-off Date, then on the Settlement Date, the relevant Ordinary Shares will be issued or delivered to a person (the “**Relevant Person**”) selected by the Issuer. The Issuer shall procure that all of such Ordinary Shares shall be sold by or on behalf of the Relevant Person as soon as reasonably practicable, based on advice from a reputable financial institution, investment or commercial bank or broker selected by the Issuer and subject to any necessary consents being obtained and to the deduction by or on behalf of the Relevant Person of any amount payable in respect of its liability to taxation and the payment of any capital, stamp, issue, registration and/or transfer taxes and duties (if any) and any fees or costs incurred by or on behalf of the Relevant Person in connection with the issue, allotment and sale thereof. The net proceeds of sale shall, as soon as reasonably practicable, be distributed by the Issuer rateably to the relevant Bondholders in accordance with Condition 15 or in such other manner and at such time as the Issuer shall determine and notify to the relevant Bondholders. The Trustee shall have no responsibility for the distribution of such net proceeds of sale.

The amount of such net proceeds of sale payable to a Bondholder pursuant to this Condition 10 shall (upon receipt by the relevant Bondholder of such proceeds of sale) be treated for all purposes as a good discharge of the obligations of the Issuer under the Trust Deed and these Conditions in respect of the relevant Conversion.

Neither the Issuer nor the Trustee shall have any liability in respect of the exercise or non-exercise of any discretion or power pursuant to this Condition 10 or in respect of any sale of any Ordinary Shares, whether for the timing of any such sale or the price at or manner in which any such Ordinary Shares are sold or the inability to sell any such Ordinary Shares.

11. **Procedure for Bondholder Optional Conversion**

A Bondholder may exercise the Conversion Right in respect of a Bond by delivering such Bond, together with a duly completed Conversion Notice, to the specified office of any Paying and Conversion Agent, during its normal business hours, at any time during the applicable Bondholder Optional Conversion Period whereupon the Issuer shall (subject as provided in these Conditions) procure the delivery, to or as directed by the relevant Bondholder, of Ordinary Shares credited as paid up in full as provided in these Conditions.

12. **Interest upon Conversion**

Upon Conversion, the Issuer shall pay to the Bondholders the Accrued Conversion Interest (if any) and Deferred Interest Payments (if any) on the relevant Settlement Date.

Payment of any Accrued Conversion Interest and Deferred Interest Payments (if any) will be made by transfer to the U.S. dollar account (or any other account to which U.S. dollars may be credited or transferred) specified in the relevant Conversion Notice or, as the case may be, as provided below.

If a Conversion Notice and the relevant Bonds are not delivered to a Paying and Conversion Agent on or before the Notice Cut-off Date pursuant to Condition 10 or otherwise the relevant Conversion Notice shall have been determined or treated as null and void, any Accrued Conversion Interest and Deferred Interest Payments (if any) which is to be paid on the relevant Settlement Date shall be paid on the relevant Settlement Date to the Principal Paying and Conversion Agent for distribution to the relevant Bondholders in accordance with Condition 15 or in such other manner and at such time as the Trustee shall determine and notify to the Bondholders pursuant to Condition 24.

13. **General Provisions Applicable to Conversion**

Any Conversion shall be subject to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying and Conversion Agent to whom the relevant Conversion Notice is delivered is located.

Where any Conversion occurs prior to 25 February 2016 the relevant Bondholder shall, as a pre-condition to receiving Ordinary Shares, be required to certify in the Conversion Notice, among other things, that it or, if it is a broker-dealer acting on behalf of a customer, such customer:

- (A) will, on conversion, become the beneficial owner of the Ordinary Shares; and
- (B) is located outside the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended).

Ordinary Shares issued upon Conversion of the Bonds will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the QIPO Effective Date (in the case of QIPO Conversion) or Settlement Date (in all other cases), except that such Ordinary

Shares will not rank for any rights, distributions or payments if the record date or other due date for the establishment of entitlement for any such right, distribution or payment falls prior to the QIPO Effective Date or Settlement Date (as the case may be).

Fractions of Ordinary Shares will not be issued or delivered on any Conversion and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Ordinary Shares to be issued on Conversion are to be registered in the same name, the number of such Ordinary Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Ordinary Shares.

Where Ordinary Shares are to be issued to the Relevant Person pursuant to Condition 10, the number of such Ordinary Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds in respect of which such issue or delivery is to be made.

The Issuer will (subject as provided in these Conditions) procure that Ordinary Shares to be issued or delivered on any Conversion will be issued or delivered to the holder of the Bonds completing the relevant Conversion Notice or his nominee by no later than the Settlement Date.

Ordinary Shares to be issued or transferred and delivered on any Conversion will be issued or transferred and delivered in uncertificated form through the dematerialised securities trading system operated by Euroclear UK & Ireland Limited, known as CREST, unless at the relevant time the Ordinary Shares are not a participating security in CREST, in which case the Ordinary Shares will be issued or delivered in certificated form. Where Ordinary Shares are to be issued or delivered through CREST, they will be delivered to the account specified by the relevant Bondholder in the relevant Conversion Notice by not later than seven London business days following the relevant Conversion Date. Where Ordinary Shares are to be issued or transferred and delivered in certificated form, a certificate in respect thereof will be dispatched by mail free of charge (but uninsured and at the risk of the recipient) to the relevant Bondholder or as it may direct in the relevant Conversion Notice within 28 days following the relevant Conversion Date.

A Bondholder or Relevant Person must pay (in the case of a Relevant Person by means of deduction from the net proceeds of sale referred to in Condition 10) directly to the relevant authorities any taxes and capital, stamp, issue and registration and transfer taxes and duties arising on conversion of the Bonds (other than any taxes or capital, stamp, issue, registration or transfer taxes or duties payable in the United Kingdom in respect of the allotment, issue and delivery of any Ordinary Shares to or to the order of a Bondholder or Relevant Person pursuant to these Conditions on such conversion, which shall be paid by the Issuer). If the Issuer shall fail to pay any taxes or capital, stamp, issue, registration or transfer taxes or duties payable for which it is responsible as provided above, the relevant Bondholder or Relevant Person (as the case may be) shall be entitled to tender and pay the same and the Issuer, as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder or Relevant Person (as the case may be) in respect of any payment thereof and any penalties payable in respect thereof. The Contracts (Rights of Third Parties) Act 1999 shall apply to this stipulation.

The Trustee shall not be responsible for the collection or distribution of any such amounts as are referred to this paragraph.

For the avoidance of doubt, neither the Trustee nor the Paying and Conversion Agents shall be responsible for determining whether any taxes or capital, stamp, issue, registration or transfer taxes or duties arising on conversion of the Bonds are payable or the amount thereof and shall not be responsible or liable for collecting or paying the same or for any failure by the Issuer to pay any taxes or capital, stamp, issue, registration or transfer taxes or duties payable in respect of the allotment, issue and delivery of any Ordinary Shares upon such conversion.

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer and an Independent Financial Adviser, a written opinion of such Independent Financial Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price and will not be responsible or liable to the Bondholders for any loss arising from any failure by it to do so, nor shall the Trustee be responsible or liable to any person for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment.

14. **Redemption and Purchase**

14.1 **Redemption for Taxation Reasons**

The Issuer may, at any time, having given not less than 45 nor more than 60 calendar days' notice (a "**Tax Redemption Notice**") to the Trustee and (in accordance with Condition 24) the Bondholders redeem (subject to the second following paragraph) all but not some only of the Bonds for the time being outstanding on the date (the "**Tax Redemption Date**") specified in the Tax Redemption Notice at their principal amount, together with accrued but unpaid interest to such date and any Deferred Interest Payments, if (A) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments of interest on the Bonds pursuant to Condition 16 as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 30 December 2015, and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) a certificate signed by two directors of the Issuer stating that the obligation referred to in (A) above cannot be avoided by the Issuer taking reasonable measures available to it and (ii) an opinion of independent legal or tax advisers of recognised international standing to the effect that such change or amendment has occurred and that the Issuer

has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept without any liability for so doing such certificate and opinion as sufficient evidence of the matters set out in (A) and (B) above in which event such certificate shall be conclusive and binding on the Bondholders.

On the Tax Redemption Date the Issuer shall (subject to the next following paragraph) redeem the Bonds at their principal amount, together with accrued but unpaid interest to such date and Deferred Interest Payments (if any).

If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that its Bonds shall not be redeemed and that the provisions of Condition 16 shall not apply in respect of any payment of interest to be made on such Bonds which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 16 and payment of all amounts of such interest on such Bonds shall be made subject to the deduction or withholding of any United Kingdom taxation required to be withheld or deducted. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying and Conversion Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying and Conversion Agent together with the relevant Bonds on or before the day falling 10 calendar days prior to the Tax Redemption Date. Any such notice of election shall be irrevocable.

14.2 Tax Redemption Notices

Any Tax Redemption Notice shall be irrevocable. Any such notice shall specify (A) the Tax Redemption Date, which shall be a business day in New York City and London and (B) if the Issuer is electing to make payment in pounds sterling pursuant to Condition 14.3, that such election is being made.

14.3 Issuer Option to Redeem in Pounds Sterling

The amount (including any accrued but unpaid interest and Deferred Interest Payments (if any)) to be paid by the Issuer (the “**Redemption Amount**”) on the Tax Redemption Date in accordance with Condition 14 will be payable in U.S. dollars unless the Issuer elects to make payment in pounds sterling, in which case the Issuer shall give notice thereof in the Tax Redemption Notice.

The sterling amount payable shall in respect of each Bond be calculated by multiplying the Redemption Amount in U.S. dollars by 1.007 and converting such U.S. dollar amount into pounds sterling at the Prevailing Rate on the second London business day prior to the Tax Redemption Date and rounding the resulting figure, if necessary, to the nearest £0.01, with £0.005 being rounded upwards.

14.4 Purchase

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any

time purchase any Bonds (provided that all unmatured Coupons relating to them are purchased therewith or attached thereto) in the open market or otherwise at any price.

14.5 Cancellation

All Bonds which are redeemed or in respect of which Conversion Rights have been exercised or which are otherwise converted into Ordinary Shares pursuant to these Conditions will be cancelled upon such redemption or Conversion (together with all relative unmatured Coupons attached to the Bonds or surrendered with the Bonds) and may not be reissued or resold. Bonds purchased by the Issuer or any of its Subsidiaries shall be surrendered to the Principal Paying and Conversion Agent for cancellation and may not be reissued or re-sold.

15. Payments

15.1 Payments against presentation and surrender

Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Bonds or the appropriate Coupons (as the case may be) at the specified office of any Paying and Conversion Agent (subject to Condition 15.2 below). Payments of interest due in respect of any Bond other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Bond.

15.2 U.S. Paying and Conversion Agent

Payments of interest in respect of Bonds may only be made at the specified offices of Paying and Conversion Agents outside the United States of America, except that they may be made at the specified office of a Paying and Conversion Agent in New York City if:

- (A) the Issuer shall have appointed Paying and Conversion Agents with specified offices outside the United States of America with the reasonable expectation that such Paying and Conversion Agents would be able to make payment at such offices of the full amount of the interest on the Bonds in U.S. dollars when due;
- (B) payment of the full amount of such interest at all specified offices of the Paying and Conversion Agents outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions; and
- (C) the relevant payment is permitted by applicable U.S. law.

If a Bond is presented for payment of principal at the specified office of any Paying and Conversion Agent in the United States of America in circumstances where interest (if any is payable against presentation of the Bond) is not to be paid there, the relevant Paying and Conversion Agent will annotate the Bond with the record of the principal paid and return it to the holder for the obtaining of interest elsewhere.

15.3 Payments subject to fiscal laws

All payments made in accordance with these Conditions shall be made subject to:

- (A) any applicable fiscal or other laws, regulations and directives; and
- (B) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“**FATCA**”) or any law implementing an intergovernmental approach to FATCA,

but, in each case, without prejudice to Condition 16.

15.4 **Coupons**

Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date for the relevant payment of principal.

15.5 **Method of Payment**

Each payment in respect of the Bonds pursuant to Condition 15.1 will be made by transfer to a U.S. dollar account maintained by the payee with a bank in New York City or, if the Issuer elects to make payment in sterling pursuant to Condition 14.3, by transfer to a pounds sterling account maintained by the payee with a bank in London.

15.6 **Presentation Date**

A holder shall be entitled to present a Bond or Coupon for payment only on a Presentation Date and shall not be entitled to any further interest or other payment if the due date for payment is not a Presentation Date or if the relevant Bond or Coupon is presented for payment after the due date.

15.7 **Paying and Conversion Agents, etc.**

The initial Paying and Conversion Agents and their initial specified offices are listed below. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Paying and Conversion Agent and appoint additional or other Paying and Conversion Agents, provided it will maintain:

- (A) a Principal Paying and Conversion Agent;
- (B) Paying and Conversion Agents having specified offices in at least two major European cities;
- (C) a Paying and Conversion Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000; and

- (D) for so long as the Bonds are listed on the SGX-ST and the rules and regulations of the SGX-ST so require, a Paying and Conversion Agent having a specified office in Singapore.

In addition, the Issuer shall forthwith appoint a Paying and Conversion Agent in New York City in the circumstances described in Condition 15.2 above (if there is no such Paying and Conversion Agent at the time) and shall after such circumstances arise maintain such a Paying and Conversion Agent.

Notice of any change in the Paying and Conversion Agents or their specified offices will promptly be given to the Bondholders in accordance with Condition 24 and to the Trustee.

15.8 No charges

None of the Paying and Conversion Agents shall make or impose on a Bondholder any charge or commission in relation to any payment or conversion in respect of the Bonds.

15.9 Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

16. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond or Coupon presented for payment:

- (A) by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of the Bond or Coupon;
- (B) more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Bond or Coupon for payment on the last day of such period of 30 days;
- (C) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (D) by or on behalf of a Bondholder or a Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying and Conversion Agent in a Member State of the European Union.

Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 16 or any undertaking given in addition to or substitution for it under the Trust Deed.

The provisions of this Condition 16 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 14.1.

17. **Events of Default**

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution and provided in each case that it is indemnified and/or secured and/or pre-funded to its satisfaction shall, give notice to the Issuer at its registered office that the Bonds are, and they shall accordingly immediately become due and repayable at the Relevant Amount, together with any accrued but unpaid interest to the date of payment and Deferred Interest Payments (if any):

(A) **Non-Payment:**

- (1) the Issuer fails to pay all or any part of the principal of any of the Bonds when the same shall become due and payable, whether upon redemption or otherwise; or
- (2) the Issuer fails to pay any interest in respect of any of the Bonds as and when the same shall become due and payable,

and such failure continues for a period of five London business days in the case of principal or 10 London business days in the case of interest;

- (B) **Failure to Deliver Ordinary Shares:** the Issuer fails to deliver any Ordinary Shares as and when required pursuant to these Conditions and such default continues for a period of five London business days;

- (C) **Breach of Other Obligations:** the Issuer defaults in the performance or observance of or compliance with one or more of its other obligations in respect of the Bonds or under the Trust Deed, which default is incapable of remedy or, if such default is capable of remedy, is not remedied within 10 London business days after the date on which written notice specifying such default and requesting that the Issuer remedy the same shall have been given to the Issuer by the Trustee;

(D) **Cross-Default:**

- (1) any Financial Indebtedness of the Issuer or any of its Subsidiaries becomes (or becomes capable of being declared) due and repayable prematurely by reason of any default, event of default or the like (howsoever described);

- (2) the Issuer or any of its Subsidiaries fails to make any payment in respect of any Financial Indebtedness on the due date for payment as extended by any originally applicable grace period,

provided that the aggregate amount of the indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this Condition 17(D) have occurred equals or exceeds U.S.\$2,500,000 or its equivalent in any other currency or currencies (as determined by the Trustee);

- (E) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Subsidiaries and which is not discharged or stayed within 10 London business days;
- (F) **Security Enforced:** any Relevant Security created or assumed by the Issuer or any of its Subsidiaries (other than in respect of Financial Indebtedness) becomes enforceable and any steps are taken to enforce it (including the taking of possession or the appointment of a receiver, administrator, administrative receiver, manager or other similar person) in respect of the whole or a substantial part of the undertaking, property, assets or revenue of the Issuer or any of its Subsidiaries and in any such case provided that such enforcement, possession or appointment is not stayed or terminated or the debt on account of which such enforcement, possession or appointment was made is not discharged or satisfied within 10 London business days;
- (G) **Insolvency:** the Issuer or any of its Subsidiaries:
- (1) is (or is, or could reasonably be likely to be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due;
 - (2) stops or suspends payment of all or a material part of (or of a particular type of) its debts;
 - (3) proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or of a particular type of) its debts (or of any part which it will or it might otherwise be unable to pay when due); or
 - (4) proposes or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors in respect of any of such debts, or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Subsidiaries;
- (H) **Winding-up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Subsidiaries;
- (I) **Ceasing to Carry on Business:** the Issuer or any of its Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purposes of a solvent reconstruction, amalgamation, reorganisation, merger or consolidation (1) on terms which have been previously approved by the Trustee or an Extraordinary Resolution of the Bondholders or (2) in the case of a

Subsidiary, whereby the undertaking and assets of that Subsidiary are transferred or otherwise vested in the Issuer or any of its other Subsidiaries;

- (J) **Judgments:** a final judgment or judgments of a court or courts of competent jurisdiction for the payment of money aggregating in excess of U.S.\$2,500,000 or its equivalent (as reasonably determined by the Trustee) are rendered against the Issuer or any of its Subsidiaries and which judgments are not bonded, discharged or stayed pending appeal within 15 London business days (or such longer period as the Trustee may agree) after the Latest Date, or are not discharged within 15 London business days (or such longer period as the Trustee may agree) after the later of the expiration of such stay and the Latest Date;
- (K) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Bonds or the Trust Deed; or
- (L) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in this Condition 17.

Following the Bonds being declared due and payable in accordance with this Condition 17, each Bondholder may continue to exercise its Conversion Rights as provided in Condition 7 in respect of any Bonds which remain outstanding and in respect of which the Issuer has not otherwise paid the principal amount of such Bonds, together with any accrued but unpaid interest to the date of payment and Deferred Interest Payments (if any).

In this Condition 17, “**Relevant Amount**” means in respect of each U.S.\$1,000 in principal amount of Bonds:

- (A) in the case of an Event of Default pursuant to Condition 17(B) following QIPO Conversion, an amount determined in accordance with the following formula:

$$(A / B) \times C$$

where:

“A” is U.S.\$1,000;

“B” is the Conversion Price; and

“C” is the QIPO Price;

- (B) in the case of an Event of Default pursuant to Condition 17(B) following Issuer Asset Sale Optional Conversion or Asset Sale Mandatory Conversion, an amount per U.S.\$1,000 principal amount of Bonds equal to the Underlying Value; and
- (C) in all other cases, U.S.\$1,000.

18. **Undertakings**

So long as any Bond remains outstanding (save as approved by way of Extraordinary Resolution or with the approval of the Trustee where, in the Trustee’s opinion, it would not be materially prejudicial to the interests of Bondholders to give such approval):

- (A) the Issuer shall not declare or pay any Dividends and the Issuer shall procure that no member of the Group shall declare or pay any Dividends other than to the Issuer or

otherwise pursuant to contractual arrangements existing prior to the relevant declaration or payment of the relevant Dividend relating to joint ownership of Assets (as defined below);

- (B) the Issuer shall not, and shall procure that none of its Subsidiaries shall, enter into any transaction with any Affiliate except in the ordinary course of business on the basis of arm's-length arrangements for full market value (as certified in writing by an Independent Financial Adviser);
- (C) the Issuer shall not enter into an Asset Sale otherwise than in compliance with the requirements of Condition 6.2;
- (D) the Issuer shall not, and shall procure that none of its Subsidiaries shall, sell, transfer or otherwise dispose of any land, asset, securities or other interests (an "**Asset**") (whether in a single transaction or in a series of transactions, related or otherwise) if the Book Value of the relevant Asset exceeds 10 per cent. of the Issuer's Total Assets (as defined below) other than sales, transfers or disposals where (1) the relevant Asset is being sold, transferred or sold within a range of values reasonably deemed to constitute the fair market value of the relevant Asset, and (2) where the consideration received for the relevant Asset exceeds 130 per cent. of the acquisition price of such Asset, in the case of each of (1) and (2) as certified to the Issuer, with a copy to the Trustee, in advance by an Independent Appraiser;
- (E) the Issuer shall, and shall procure that each of its Subsidiaries shall, (save in respect of a solvent reorganisation the terms of which have been previously approved in writing by the Trustee or by an Extraordinary Resolution) (1) maintain its corporate existence in compliance with all applicable laws; and (2) conduct its business with due diligence and efficiency, in accordance with sound financial and business practices and in compliance with all applicable laws, including, *inter alia*, money laundering laws; and
- (F) the Issuer shall, and shall procure that each of its Subsidiaries shall, apply and be committed to good corporate governance practices based on general principles of fairness, disclosure and transparency, management accountability, separation of responsibility and sound internal controls, in compliance with all applicable laws.

In this Condition 18:

"Book Value" means, in respect of any Asset at any Reporting Date, the value thereof for purposes of the most recent Consolidated Financial Statements of the Issuer (or, if no book value is included therein or if no Consolidated Financial Statements have been prepared at the time of the relevant transaction, such value as certified in writing by an Independent Financial Adviser).

"Consolidated Financial Statements" means the audited or interim reviewed consolidated financial statements (including balance sheet, income statement, statement of changes in equity, cash flow statement and notes, comprising a summary of significant accounting policies and other explanatory notes) of the Issuer and its Subsidiaries prepared in accordance with IFRS.

“Reporting Date” means such annual or semi-annual date or dates as at which the Issuer prepares its audited annual Consolidated Financial Statements or unaudited semi-annual Consolidated Financial Statements, as the case may be, and as at the Issue Date the annual and semi-annual Reporting Dates are 31 December and 30 June, respectively.

“Total Assets” means, in respect of any Reporting Date, the total assets of the Group (as reported in the Issuer’s Consolidated Financial Statements for that Reporting Date or, if no Consolidated Financial Statements have been prepared at the time of the relevant transaction, the total assets of the Group as certified in writing by an Independent Financial Adviser).

The Trustee may call for and will be entitled to rely (without any liability or responsibility to any person for so doing) on a certificate from the Issuer as to the Book Value of any Asset, the Issuer’s Total Assets and any other facts or information relating to any of the undertakings in this Condition 18, and shall not have any duty to investigate or verify any facts relating to the same.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee annually a certificate of two directors of the Issuer, as to there not having occurred an Event of Default or Potential Event of Default (as defined in the Trust Deed) since the date of the last such certificate or if such event has occurred as to the details of such event. The Trustee will be entitled to rely on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 18, nor be liable to any person for not so doing.

19. **Prescription**

Claims against the Issuer for payment in respect of the Bonds or Coupons shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

20. **Replacement of Bonds and Coupons**

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any Paying and Conversion Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

21. **Meetings of Bondholders, Modification and Waiver, Substitution**

21.1 **Meetings of Bondholders**

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds held or

represented, unless the business of such meeting includes consideration of proposals, *inter alia*:

- (A) to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds;
- (B) to modify the circumstances in which the Issuer is entitled to redeem the Bonds pursuant to Condition 14.1;
- (C) to reduce or cancel the principal amount of, or interest on, the Bonds or to reduce the amount payable on redemption of the Bonds;
- (D) to modify the basis for calculating the interest payable in respect of the Bonds;
- (E) to modify the provisions relating to, or cancel, the Conversion Rights or Conversion;
- (F) to change the currency of the denomination of the Bonds or any payment in respect of the Bonds;
- (G) to change the governing law of the Bonds, the Trust Deed or the Agency Agreement (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 21.3; or
- (H) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution,

in which case the necessary quorum will be one or more persons holding or representing not less than two-thirds in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting whatever the principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed by the Bondholders shall be binding on Bondholders (whether or not they were present at any meeting at which such resolution was passed and whether or not they voted on such resolution) and on all Couponholders.

The Trust Deed provides that (A) a resolution in writing signed by or on behalf of the holders of not less than three-quarters in principal amount of Bonds outstanding (which may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders) or (B) consents given by way of electronic consent through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-quarters in principal amount of the Bonds for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held.

No consent or approval of Bondholders shall be required in connection with (1) the inclusion of further Events of Default the subject of Condition 17 and/or (2) the acceptance by the Issuer (and/or any other member of the Group) of any further obligations or undertakings not already contemplated in these Conditions.

21.2 **Modification and Waiver**

- (A) The Trustee may agree (without the consent of the Bondholders or the Couponholders) to:
- (1) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven or to comply with mandatory provisions of law;
 - (2) any modification of or addition to these Conditions as contemplated by the final paragraph of Condition 21.1 above; and
 - (3) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which is (in the opinion of the Trustee) not materially prejudicial to the interests of the Bondholders and Couponholders.
- (B) The Trustee may (without the consent of the Bondholders or Couponholders) determine that any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders and the Couponholders will not be materially prejudiced thereby.

Any such modification, authorisation, waiver or determination shall be binding on the Bondholders and the Couponholders and shall be notified to the Bondholders promptly in accordance with Condition 24.

21.3 **Substitution**

The Trustee may (without the consent of the Bondholders or Couponholders) agree to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds, the Coupons and the Trust Deed of any Subsidiary of the Issuer subject to:

- (A) the Bonds being unconditionally and irrevocably guaranteed by the Issuer; and
- (B) the Bonds continuing to be convertible or exchangeable into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions,

with such amendments as the Trustee shall consider appropriate provided that in any such case, (1) the Trustee is satisfied that the interests of the Bondholders will not be

materially prejudiced by the substitution, and (2) certain other conditions set out in the Trust Deed have been complied with.

In the case of any such substitution pursuant to this Condition 21.3, the Trustee may agree (without the consent of the Bondholders) to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and shall be notified by the Issuer to the Bondholders promptly in accordance with Condition 24.

21.4 Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders or Couponholders, except to the extent already provided for in these Conditions or the Trust Deed.

22. Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Bonds and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Bonds or the Coupons unless (A) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (B) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

23. The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Bondholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any

other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders and Couponholders in the absence of manifest error.

24. **Notices**

All notices regarding the Bonds will be valid if published in the *Financial Times* or, if this is not possible, in one other leading English language daily newspaper with general circulation in Europe. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve.

Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

For so long as all of the Bonds are represented by a Temporary Global Bond or a Permanent Global Bond (each as defined in the Trust Deed) and such Temporary Global Bond or Permanent Global Bond is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication to the relative accountholders rather than by publication in the Financial Times or another newspaper, as required by Condition 24. Any such notice shall be deemed to have been given to the Bondholders on the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg.

25. **Further Issues**

The Issuer may from time to time without the consent of the Bondholders and the Couponholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds) or in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may determine at the time of their issue. Any further notes, bonds or debentures forming a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes, bonds or debentures may, with the consent of the Trustee, be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of notes, bonds or debentures of other series in certain circumstances where the Trustee so decides.

26. **Contracts (Rights of Third Parties) Act 1999**

Save as provided in Condition 13, no person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

27. **Governing Law and Jurisdiction**

27.1 **Governing Law**

The Trust Deed, the Bonds and the Coupons, and any non-contractual obligations arising out of or in connection with them, are governed by and shall be construed in accordance with English law.

27.2 **Jurisdiction**

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Bonds or the Coupons (“**Proceedings**”) may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts.

SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILST IN GLOBAL FORM

The Temporary Global Bond and the Permanent Global Bond contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Conditions. The following is a summary of certain of those provisions:

1 Exchange of Temporary Global Bond for the Permanent Global Bond

The Temporary Global Bond will be exchangeable for interests in the Permanent Global Bond, without interest coupons, on or after a date which is expected to be 25 February 2016 upon certification as to non-U.S. beneficial ownership.

2 Exchange for Definitive Bonds

The Permanent Global Bond is exchangeable in whole but not in part (free of charge to the Bondholder) for definitive Bonds on an Exchange Event only.

An “**Exchange Event**” shall occur if:

- (A) Euroclear or Clearstream, Luxembourg and any such clearing system is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, by such holder giving notice to the Principal Paying and Conversion Agent; or
- (B) if the Issuer would suffer a material disadvantage in respect of the Bonds as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction referred to in Condition 16 which would not be suffered were the Bonds in definitive form.

On or after the Exchange Date the holder of the Permanent Global Bond may surrender the Permanent Global Bond to or to the order of the Principal Paying and Conversion Agent. In exchange for the Permanent Global Bond, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Bonds having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Bond, security printed in accordance with any applicable legal and stock exchange requirements.

“**Exchange Date**” means a day falling not less than 60 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying and Conversion Agent is located and, except in the case of exchange pursuant to (A) above, in the city in which the relevant clearing system is located.

Except as otherwise described in this Offering Circular, the Permanent Global Bond is subject to the Conditions and the Trust Deed and, until it is exchanged for definitive Bonds, its holder shall be entitled to the same benefits as if it were the holder of the definitive Bonds for which it may be exchanged and as if such definitive Bonds had been issued on the date of the Permanent Global Bond.

3 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of a Bond represented by the Permanent Global Bond must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the holder of the Permanent Global Bond and in relation to all other rights arising under the Permanent Global Bond, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Bonds for so long as the Bonds are represented by the Permanent Global Bond and such obligations of the Issuer will be discharged by payment to the holder of the Permanent Global Bond in respect of each amount so paid.

4 Conversion

Conversion of the Bonds represented by the Permanent Global Bond in accordance with the Conditions shall be effected by presentation of the Permanent Global Bond to or to the order of the Principal Paying and Conversion Agent for notation of such conversion, together with one or more duly completed Conversion Notices (which may be in electronic form and given in accordance with the rules and procedures of the Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (as the case may be)). Delivery of the Conversion Notice will constitute confirmation by the beneficial owner of the Bonds to be converted that the information and the representations in the Conversion Notice are true and accurate on the date of delivery.

Distributions of amounts with respect to book-entry interests in the Bonds held through Euroclear or Clearstream, Luxembourg will be credited, to the extent required by the Principal Paying and Conversion Agent, to the cash accounts of participants in Euroclear, Clearstream, Luxembourg or any Alternative Clearing System in accordance with the relevant clearing system's rules and procedures.

Conversion Rights in respect of Bonds represented by the Permanent Global Bond are exercisable by presentation of the Permanent Global Bond to or to the order of the Principal Paying and Conversion Agent for notation of exercise of the Conversion Rights, together with one or more duly completed conversion notices (which may be in electronic form and given in accordance with the rules and procedures of the Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") (as the case may be)). Delivery of the conversion notice will constitute confirmation by the beneficial owner of the Bonds to be converted that the information and the representations in the conversion notice are true and accurate on the date of delivery.

5 Bondholders' Tax Option

The Bondholders' right under Condition 14.1 to elect, after the Issuer has given a Tax Redemption Notice, that his Bonds shall not be redeemed by the Issuer under

Condition 14.1 and that the provisions of Condition 16 shall not apply in respect of any payment of interest to be made under such Bonds by the Issuer which falls due after the relevant Tax Redemption Date, may be exercised by the relevant accountholder giving notice to the Principal Paying and Conversion Agent within the time limits specified by Condition 14.1 and in accordance with the standard procedures of Euroclear and/or Clearstream, Luxembourg and/or any such Alternative Clearing System (which may include notice being given on such accountholder's instructions by Euroclear and/or Clearstream, Luxembourg and/or any such Alternative Clearing System or any common depository for them to the Principal Paying and Conversion Agent by electronic means), and in a form acceptable to Euroclear and/or Clearstream, Luxembourg and/or any such Alternative Clearing System, of the principal amount of Bonds in respect of which such election right is exercised.

6 Calculation of Interest

For so long as all the Bonds outstanding are represented by the Permanent Global Bond, interest shall be calculated on the basis of the aggregate principal amount of the Bonds represented by the Permanent Global Bond, and not per Bond as provided in Condition 4.1.

7 Payments

The Issuer will be obliged to pay such amount or amounts as shall become due and payable from time to time in respect of the Bonds and otherwise to comply with the Conditions. Each payment shall be made to the holder of the Permanent Global Bond against presentation to, or to the order of, the Principal Paying and Conversion Agent. Upon payment of any principal or interest, the amount so paid shall be endorsed by or on behalf of the Issuer on the schedule to the Permanent Global Bond.

Distributions of amounts with respect to book-entry interests in the Bonds held through Euroclear or Clearstream, Luxembourg will be credited, to the extent required by the Principal Paying and Conversion Agent, to the cash accounts of participants in Euroclear, Clearstream, Luxembourg or any Alternative Clearing System in accordance with the relevant clearing system's rules and procedures.

8 Cancellation

Cancellation of any Bond represented by the Permanent Global Bond which is required by the Conditions to be cancelled will be effected by reduction in the aggregate principal amount of the Permanent Global Bond and by the annotation of the appropriate schedule to the Permanent Global Bond.

9 Prescription

Any claim in respect of principal and interest in respect of the Permanent Global Bond will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 3).

10 Meetings

The holder of the Permanent Global Bond shall be treated at any meeting of Bondholders as having one vote in respect of each U.S.\$1,000 principal amount of Bonds for which the Permanent Global Bond may be exchanged.

11 Notices

So long as all of the Bonds are represented by the Permanent Global Bond and it is held by or on behalf of a clearing system, notices to Bondholders will be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for notification as required by the Conditions. A notice will be deemed to have been given to accountholders on the first Business Day following the day on which such notice is sent to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for delivery to entitled accountholders.

Whilst any of the Bonds are represented by the Permanent Global Bond, notices to be given by a Bondholder will be given by such Bondholder (where applicable) through Euroclear, Clearstream, Luxembourg or any Alternative Clearing System and otherwise in such manner as the Trustee and the relevant clearing system may approve for this purpose.

12 Trustee's Powers

In considering the interests of Bondholders while the Permanent Global Bond is held on behalf of Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be), the Trustee may have regard to any information provided to it by the relevant clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Permanent Global Bond and may consider such interests as if such accountholders were the holders of the Bonds represented by the Permanent Global Bond.

13 Electronic Consent and Written Resolution

While the Temporary Global Bond or the Permanent Global Bond (as the case may be) is held by Euroclear, Clearstream, Luxembourg or any Alternative Clearing System, then:

- (A) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Bonds outstanding (an “**Electronic Consent**” as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting which is a special quorum resolution), take effect as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held, and shall be binding on all Bondholders whether or not they participated in such

Electronic Consent. The Principal Paying and Conversion Agent shall confirm the result of voting on any Electronic Consent in writing to the Issuer and the Trustee (in a form satisfactory to the Trustee) (which confirmation may be given by email), specifying (as of the deadline for the Electronic Consent): (i) the outstanding principal amount of the Bonds and (ii) the outstanding principal amount of the Bonds in respect of which consent to the resolution has been given in accordance with this provision. The Issuer and the Trustee may rely and act without further enquiry on any such confirmation from the Principal Paying and Conversion Agent and shall have no liability or responsibility to anyone as a result of such reliance or action. The Trustee shall not be bound to act on any Electronic Consent in the absence of such a confirmation from the Principal Paying and Conversion Agent in a form satisfactory to it; and

- (B) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system with entitlements to the Temporary Global Bond or the Permanent Global Bond (as the case may be) or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer has obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “**commercially reasonable evidence**” includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any Alternative Clearing System, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Bonds. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Bonds is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

USE OF PROCEEDS

It is intended that the net proceeds of the issuance of the Bonds will be used to fund the investment programme of the Issuer in selected assets of the North American Conventional Oil Fields sector as well as to cover the operative costs of the Issuer.

DESCRIPTION OF THE ISSUER

Introduction

Technology Enhanced Oil PLC is a public limited company incorporated in England and Wales under the Companies Act 2006. It was incorporated on 29 October 2015 under registered number 9847538. It was issued with a certificate entitling it to commence to trade on 9 November 2015. Its registered office is at Salisbury House, London Wall, London EC2M 5PS.

Overview

The Issuer is a wholly owned subsidiary of Iskandia Energy Limited ("**Iskandia Energy**"), which is a joint venture between Iskandia Group SA ("**Iskandia Group**"), a Swiss Investment group with considerable experience of natural resources assets, and a team of experienced business managers who have worked extensively in the oil and gas industry and the natural resources and investment industries throughout their careers. For further information regarding the Directors and management, and the relationship between the Issuer and Iskandia Energy, please see "*Management of the Issuer*" below. They have established the Issuer as a subsidiary of Iskandia Energy to take advantage of opportunities to acquire producing on-shore conventional oil field assets in North America and to improve the production levels of those assets by the application of a range of sophisticated enhanced oil recovery technologies.

The Directors consider that the Issuer's business model can generate attractive returns in an environment of low oil prices. A return to higher prices would further benefit the Issuer.

The Issuer has identified a number of conventional oil field assets appropriate for this approach and has commenced discussions with shareholders and management of those assets with a view to their acquisition, or the acquisition of an interest therein, by the Issuer following closing of the Offering. Examples of initial acquisition targets are given in the section headed "Targets" below.

Acquisition Opportunities and Methodology

(a) *The opportunities*

The Issuer believes that the current uncertainties as to the future of oil prices seem likely to continue for some time, with no immediate prospect of a recovery.

The sector is struggling with the 2015 oil price collapse following a decade of declining return for the industry, rising capital expenditure and operating expenditure due to increased complexity of oil exploration and production and a strong pressure on cash requirements leading to increasing debt. The Issuer believes that the situation is worse for small independent exploration and production companies ("**E&Ps**"), who may need urgent cash injections to comply with bank loan covenants and to maintain their operations, than for major international oil companies ("**Majors**").

As a consequence, many producing properties (often including good quality assets) are now for sale. By selecting for acquisition assets whose production levels can be improved by investment in enhancement technologies, and assisting the companies in identifying and

financing the application of these technologies, the Issuer believes that it can generate substantial returns for its stakeholders even at low oil prices.

(b) Strategy

The Directors' expertise encompasses natural resources, technologies and financial structuring. The Issuer believes that there is currently a window of opportunity to acquire good quality on-shore conventional oil assets and enhance their neglected production using innovative technologies.

Therefore the Issuer intends to implement the following strategy to identify and improve assets:

Stage 1: Asset selection and acquisition

The Issuer intends to acquire assets in oil basins where the benefit of the innovative technologies available to the Issuer may be optimised while maintaining an appropriate risk-reward profile.

The Issuer will focus on on-shore North American conventional oil fields with a particular focus on Texas and Oklahoma in the U.S. and on Alberta and Saskatchewan in Canada. The well-established oil services infrastructure and the rule of law are two of the primary reasons which have led to this choice of geographies, and are also factors that are likely to reduce the operational risk of implementation.

The Issuer's selection programme, described under the heading "Targets" below, follows a strict process of qualitative and quantitative pre-qualification followed by extensive due diligence.

The Issuer intends to secure the management and operational control of the assets in order to implement its production upgrade programme. However, it will look to co-invest alongside local partners where possible, so as to preserve the local footprint.

Once a cornerstone asset is secured, the Issuer will contemplate acquiring neighbouring assets, allowing synergies on both operational management and infrastructure cost.

Stage 2: Production enhancement

The Issuer's production enhancement strategy is based on 2 anticipated stages of investment:

1. The first steps will be the upgrade of existing facilities and the use of conventional techniques including waterflooding, pumps resizing, well maintenance, repairing tubing and casing, workover and pipeline connection.

The objective of the Issuer is a global upgrade of the operational capacity of the oil field enabling (i) a direct increase in production, (ii) a reduction in operating costs, including through economies of scale, and (iii) the capability to implement the second stage of production enhancement.

2. The second stage will involve the application of innovative enhanced oil recovery (“EOR”) technologies to unlock the full capacity of the oil field.

The Directors have extensive knowledge of available EOR technologies and have developed relationships with the providers of these technologies that they believe represents a distinctive competitive advantage of the Issuer. The application of these technologies will potentially enable the Issuer (i) to increase production, (ii) to lower materially the average production cost and (iii) to secure profitability and cash flow generation from its acquired assets. One of the consequences of increased production following the application of EOR technologies is likely to be an increase in the proven and probable reserves of the underlying assets.

(c) Targets

The targeted oil assets are likely to be independent E&Ps in the U.S. and Canada, with a focus on Texas and Oklahoma in the U.S. and Alberta and Saskatchewan in Canada.

The Issuer intends to focus on small to medium-sized companies, whose owners have failed to make the appropriate investments in their production facilities in recent years, particularly since the significant decline in oil prices since Q3 2014 which has left many such companies with lower revenues and often struggling to service their debt.

The reasons for this choice of geographies include:

- (i) Politically and economically stable jurisdictions, minimising political risk in the Issuer’s operations.
- (ii) Very liquid oil and gas asset markets, allowing the Issuer a healthy deal flow and improved opportunities for asset realisation.
- (iii) Oil companies report production month-by-month, and most often well-by-well. The analysis of those logs, which are generally made public, is an excellent tool to help identify the best mix of technologies to be applied on a particular oil field.
- (iv) Oil-friendly states as a result of their infrastructure facilities, oil sector service provider ecosystem and tax incentives.
- (v) Concentrating assets within the same basins and geographies allows for the possibility of operational synergies.

The Issuer has already commenced discussions with four acquisition opportunities amongst the numerous companies and assets potentially available at attractive prices following the 2015 oil price collapse.

Target	Location	Current Production	2P Reserves
Target 1	Texas	73 Bopd	0.8 MM Bbl
Target 2	Texas / Oklahoma	180 Boepd	2.5 MM Bbl
Target 3	Alberta	207 Boepd	2.4 MM Bbl

Target 4	Saskatchewan	173 Bopd	2.4 MM Bbl
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It is emphasised that while the Directors currently consider those targets to be suitable for the Issuer's initial acquisition programme, terms need to be agreed, full due diligence remains to be carried out and legal negotiations begun. Accordingly no assurance can be given that all, or any, of these targets will in fact be acquired by the Issuer.

Beyond those four opportunities, the Issuer is building a pipeline of further investments in neighbouring fields.

(d) Asset selection and acquisition

The Issuer uses a 4 step, top-down selection process.

- Populating a list of all the oil operators in the areas of interest.
- Filtering the list of targeted operators based on quantitative criteria.
- Gathering and analysing additional information on targeted oil operators to shortlist the candidates.
- Approaching candidates to determine their interest in an acquisition.

Step 1: Populate

In the United States and Canada the population of E&Ps is disclosed publicly, as are the main characteristics of the oil fields, including well logging. This is a very large and fragmented market. According to the Issuer's research, in Texas alone, there are 4,150 E&Ps producing 3.1 MM Boepd (2014), and 23.5% of these E&Ps produce between 200 and 3,000 Bopd representing 28.9% of the 2014 oil production in Texas. At Q4 2015 oil prices, the Issuer believes that its targeted market in Texas is worth approximately U.S.\$30bn (asset value). Also, in Alberta, again based on the Issuer's research, there are 370 conventional E&Ps producing 0.45 MM Boepd, and 20% of these E&PS produce between 200 and 3,000 Boepd representing 26.4% of the 2014 oil production in Alberta. At Q4 2015 oil prices, the Issuer believes that its targeted market in Alberta is worth approximately U.S.\$4bn.

Step 2: Filter

A quantitative filter is used to pre-select the properties which appear the most promising amid the E&P population of the relevant basin. The main criteria include:

- Production of the oil field.
- Maturity of the oil field.
- API gravity of the oil produced.
- Proportion of oil in the total fluid (oil and water) of the production.
- Level of the current total fluid produced compared to the initial total fluid.
- Initial production level per individual well.

Step 3: Analyse

The analysis of the targeted operators follows a several-stage cross-qualitative analysis including criteria such as:

- Patterns in past production logs consistent with a potential benefit from the appropriate use of the advanced technologies selected.
- Type of reservoir and geology compatible with the technologies selected.
- Strong potential production upside for assets owned by the E&Ps.
- Shareholding, financial structure and potential willingness of the E&Ps to divest assets.

The qualitative analysis, when combined with the quantitative filter in step 2 above, leads to a shortlist of candidates.

Step 4: Approach targets

The making of an approach to the shortlisted candidates is the last step in the asset selection process.

The approach includes the following sequential steps:

- Initial approach to asset owners to validate selling interest.
- Initial negotiation of terms with sellers and selected local partners, including the potential participation of the operator in the acquisition.
- Term sheet negotiation.
- Full due diligence, including environmental impact.
- Negotiation of sale and purchase agreement.
- Closing.

Besides the formal process described above, the Issuer will also consider opportunities coming from third party introducers to the extent they fit the above criteria.

Enhanced Oil Recovery

The Issuer's development strategy is built on the intensive use of technology to operate, maintain and upgrade its oil assets.

Oil recovery techniques can be divided into 3 successive cycles:

1. Primary recovery with natural flow and artificial lift to recover between 10% and 25% of the total oil in place.
2. Secondary recovery such as water flooding and pressure maintenance to recover between 30% and 50% of the total oil in place.
3. Tertiary recovery, using EOR technologies, allowing recovery of the total oil in place depending on the well and the techniques available.

The Issuer expects to deal mainly with mature conventional oil fields and therefore expects to use a mix of secondary recovery methods and tertiary recovery EOR technologies to unlock the full potential of its oil assets.

There is a large offering of EOR technologies enabling the recovery and enhancement of oil production:

- Classical EOR methods include thermal methods, such as steam, hot water or combustion.
- Gas injection.
- Chemical methods such as surfactants and polymers.
- Other methods such as the use of microbial and electro-magnetic techniques.

Each EOR is very specific to certain types of reservoirs:

- Thermal EOR is widely used in heavy oil sand reservoirs.
- Gas injection, especially CO₂, is mostly used in light oil reservoirs such as in carbonates and sandstones.
- Chemical EOR addresses significant challenges in light oil reservoirs with high temperature and high salinity environments.

However, most of those technologies are expensive, use dangerous and/or polluting products or are economically viable only in very specific cases. As a result, EOR selection has itself become a subject of specific expertise.

The Issuer benefits from the experience of Iskandia Energy and the Iskandia Group, whose management team has spent 3 years and significant financial resources reviewing a wide range of innovative technologies and has selected three initial technologies that distinguish themselves by their low cost of implementation and their potentially large impact on productivity.

For those technologies, the management has developed expertise allowing a better understanding of the types of fields in which they will be most efficient and which other technologies they may be combined with, through direct contacts with the firms promoting and servicing them, and analysis of their past results.

The three initial technologies which the Directors have determined should form the basis of the Issuer production enhancement strategy are:

- Blue Spark Energy's electro-hydraulic stimulation ("**EHS**") tools.
- APT's innovative water pumping systems.
- Foroil's Optimization Engine software system.

Blue Spark

Blue Spark Energy (www.bluesparkenergy.net) is a Canadian-French technology providing innovative oil near-wellbore cleaning treatments using an electro-magnetic shockwave

technique known as electro-hydraulic stimulation, which creates near-wellbore fracturing of the matrix rock to create new pathways for flow.

Blue Spark Energy's EHS tool's advantages include:

- Fast deployment on wireline (mono or multi-conductor cable), utilising a small footprint on the relevant property, which limits the amount of disruption to the production of the asset while the technology is being applied.
- Accurate correlation using Gamma Ray-Casing collar collector tool.
- Potential for combination with production logging tools for optimising inflow performance.
- No mechanical isolation of zones is required.
- Environmentally friendly, using no water or chemicals.
- No explosives, flammables or extreme surface pressures are required, thus reducing operational risks.
- Minimal vertical growth of fractures, reducing the risk of communication to water zones.
- Volume of influence is not restricted to path of least resistance, due to the timeframe of the pulse.
- Relatively low cost.

This technology has shown impressive results when applied to conventional oil wells, and Blue Spark Energy reports an average increase in production of 70% for the last 3 years of operations.

APT

APT (Advanced Pumping Technologies ("**APT**")) (www.aptpumps.com) is a Russian technology providing innovative water pumping systems.

Water injection is traditionally done in the oil industry with large central pumping stations, producing 200 barG or more discharge pressure. This means a network of high-pressure piping is needed to get water to wells. Injection rates and pressures must be controlled, normally through manual or automatic chokes at the wellhead or manifold, if wells are grouped together. APT's device has the potential for very low maintenance requirements and precise water injection control, in certain circumstances without chokes. This has the potential for better energy efficiency and more precise water injection.

There are several advantages that may have different appeal to a particular user, depending on the application. These include better reservoir management, better water injection, better metering of water volumes, elimination of chokes, decreased pump and pipe maintenance, the ability to boost an existing system and decreased power consumption.

Foroil

Foroil is a French technology company (www.foroil.com) whose services include providing breakthrough algorithms to generate additional production in reserves from mature oil fields under the name Optimization Engine™.

The Optimization Engine™ is a technique developed in order to select and play hundreds of thousands of production scenarios, using a hybrid threefold approach:

- Heuristic Optimization modelling based on logical reasoning in order to limit the number of production scenarios to be played with.
- Deterministic Optimization modelling based on an optimum production scenario against a cost function that must be minimised.
- Non-deterministic Optimization based on stochastic ingredients, in order to have the capacity to look for alternative production scenarios.

This new approach has, for example, been successfully implemented in the San Francisco field in the U.S., in order to reorganise the water-flooding regime, in particular through the conversion of producers into injectors.

Build-up and Exit Strategies

The valuation of oil assets is traditionally based on 5 common trading multiples:

- The enterprise value to EBITDA (EV/EBITDA)
- The enterprise value to daily production (EV/Bopd)
- The enterprise value to proven and probable reserves (EV/2P)
- The price to cash flow (P/CF)
- The enterprise value to debt-adjusted cash flow (EV/DACF).

The Issuer believes that appropriate financial structuring, a strict selection of assets and the use of appropriate technologies for significant production enhancement will improve the underlying metrics of the Issuer. As a result, it is expected that shareholder value will be increased and the range of options available to the Issuer described below will be increased.

Oil E&P assets have a liquid market in the U.S. and Canada with (according to the Issuer's research) U.S.\$90bn worth of M&A transactions at its peak in 2012 (790 U.S. deals), U.S.\$53bn in 2013 (670 U.S. deals) and U.S.\$60bn in 2014 (580 U.S. deals).

The Directors see 3 possible exit scenarios:

- If WTI oil price exceeds U.S.\$55/Bbl in the next 4 to 6 years and stabilises above this level long enough, management would consider either selling the company or individual properties to offer investors a quick and healthy return, or seek a listing that would provide liquidity for shareholders at a strong valuation.
- If oil prices are in the U.S.\$35/Bbl to U.S.\$55/Bbl range for the next 4 to 6 years, the Issuer will look to build up its operations into a coherent technology-oriented, low production cost, mid-size E&P company through the purchase and consolidation of neighbouring fields, using both debt and co-investors to fully leverage its leading EOR

technology implementation knowhow. The most attractive exit would then be an IPO of the company at an appropriate premium.

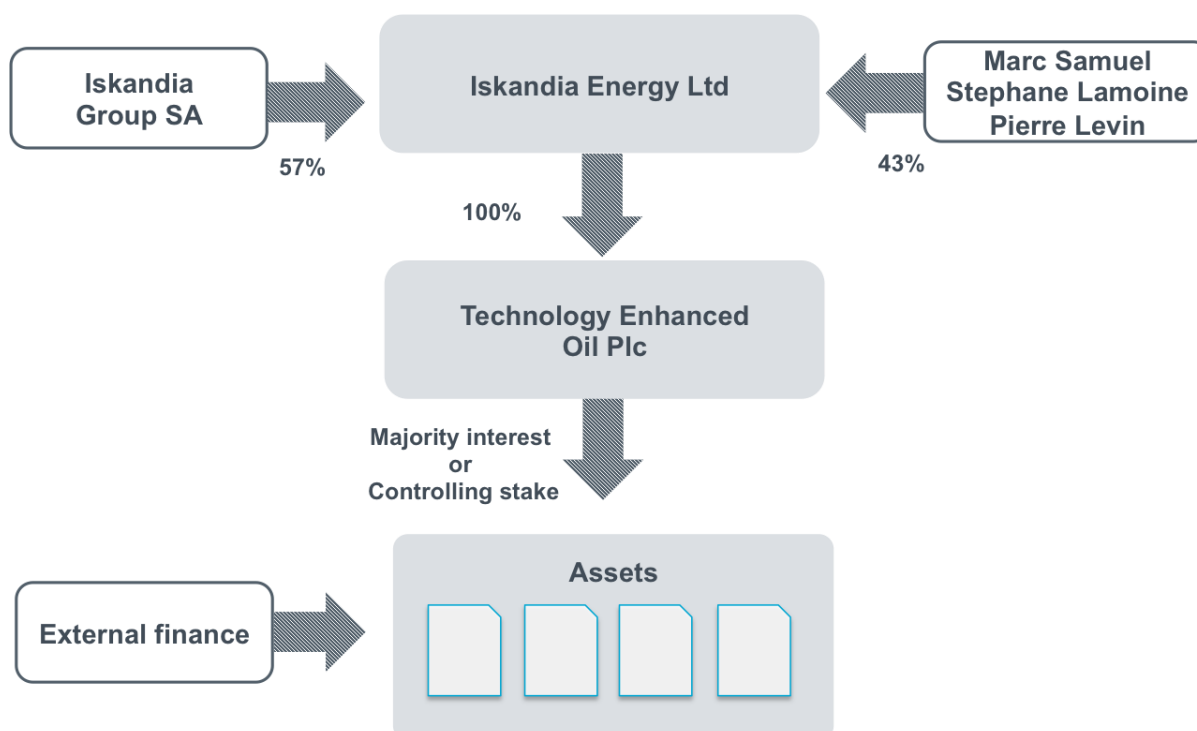
- If oil prices are below U.S.\$35/Bbl over the next 4 to 6 years, the Issuer will likely not generate sufficient cash flow to build up its operations. The Issuer will therefore adopt a cautious development strategy, using its own properties as showcases to attract co-investments into carefully selected projects. Exit would potentially be a sale to a major E&P eager to deploy the Issuer's EOR technology expertise in its own operations.

Ownership of the Issuer

The Issuer is a wholly-owned subsidiary of Iskandia Energy. Iskandia Energy's share capital currently consists of 17,500 ordinary shares, owned as to approximately 57 per cent. by Iskandia Group, and as to approximately 14.3 per cent. by each of Marc Samuel, Stephane Lamoine and Pierre Levin. Iskandia Energy has created warrants to subscribe for a further 15,833 ordinary shares, which if exercised would represent 47.5 per cent. of the enlarged share capital. Iskandia Energy intends to grant these warrants to individuals and companies whom the Board of Directors of Iskandia Energy considers to have been of assistance in particular in the raising of finance for the Issuer's activities.

Stephane Lamoine also owns 29.7 per cent of the issued ordinary share capital of Iskandia Group.

The following chart sets out the ownership structure of the Issuer as at the date of this Offering Circular:



Management of the Issuer

The Board of Directors has the ultimate responsibility for the administration of the Issuer's affairs. The Board of Directors currently has four members, and the Issuer intends to extend

the number of Directors as set out below, including with two independent non-executive Directors:

- Marc Samuel (aged 52) is a Director named by Iskandia Energy Limited and Chairman of the Board of the Issuer. Marc Samuel is a former CEO of La Compagnie Financière Edmond de Rothschild Banque and the founder of EdR Financial Services, a EUR 10bn Investment company specialised in structured asset management. He is a graduate of Ecole Polytechnique (X) in France.
- Robert Leon (aged 66) is an Independent non-executive Director and Vice-Chairman of the Board of the Issuer. Robert Leon is a former French Treasury Official, former member of the LVMH Directoire, former Director of Anzon Energy, Bridgeport and Roc Oil and is CEO of Talis SA. He is a graduate of Institut d'Etudes Politiques de Paris and Ecole Nationale d'Administration (ENA) in France.
- Stephane Lamoine (aged 53) is a Director named by Iskandia Energy Limited and Chief Executive Officer of the Issuer. Stephane Lamoine is the founder of Iskandia Group, an expert in the management of natural resources assets and projects and a former consultant with Elliott Advisors. He is former Partner with resources stockbrokerage firm Canaccord Genuity and a former Chief Investment Officer of Société Générale Asset Management (SGAM). He is a graduate from Ecole Centrale des Arts et Manufactures de Paris and from the French Chartered Financial Analysts National School.
- Pierre Levin (aged 53) is an expert in Enhanced Oil Recovery, deal sourcing, structuring and financing and a former Managing Director of the merchant bank Vulcain specialised in natural resources operations. He created Soyouz AM in Russia and Flam AM in Switzerland. He is graduated from Ecole des Mines de Paris, with a Geology major and a specialty in advanced natural resources technologies, followed by a Master from HEC Business School in Paris.
- An additional Director, being a specialist in the oil sector is expected to be named by Iskandia Energy Limited in 2016.
- A further Independent non-executive Director is expected to be named in 2016.

The Issuer has no employees at the Issue Date. All the services it employs are outsourced and are under services agreements. The services of the executive Directors are provided by the Issuer's parent company pursuant to the Services Agreement referred to under the heading "Services Provided by Iskandia Energy", below.

Services Provided by Iskandia Energy

To ensure that the cost of operating the Issuer's business are kept tightly under control the services of the executive Directors, and other management and administrative services, are provided by Iskandia Energy under the terms of a Services Agreement between the Issuer and Iskandia Energy dated 13 January 2016 (the "**Services Agreement**").

The services to be provided by Iskandia Energy to the Issuer include:

- Identification and prioritisation of acquisition targets.

- Conducting due diligence.
- Conducting negotiations with potential sellers.
- Selection of appropriate EOR technologies.
- Selection of third party service providers.
- Management of operations regarding the acquired assets.
- Monitoring the performance of the Issuer's subsidiary companies.

The Issuer has agreed to pay for these services on the basis of Iskandia Energy's direct costs plus a 10 per cent. margin. The direct costs charged to the Issuer in any year will not exceed U.S.\$1,500,000, or, if greater, the amount rebated to the Issuer as explained below.

Iskandia Energy's obligations to the Issuer are non-exclusive. However, Iskandia Energy has recognised that the Issuer's commitment to it, and the increased profile that will provide, is of potentially significant value to it. Accordingly, Iskandia Energy will rebate to the Issuer (by way of reduction of the charges otherwise payable) an amount equal to one half of all net profits earned by Iskandia Energy from the provision to third parties of services linked to the portfolio of oil assets of the Issuer.

Under the terms of the Services Agreement, the Issuer has the right from time to time to arrange for an audit of the books of Iskandia Energy to enable it to be satisfied as to the charges being levied on it or the amount to be rebated to it in respect of Iskandia Energy's other activities. Any disagreements between the Issuer and Iskandia Energy are to be referred in the first instance to the independent directors of the two companies for resolution; if the disagreement relates to amounts due pursuant to the Services Agreement (either by or to the Issuer) and cannot be resolved in this way then it is to be referred to an independent accountant for expert determination.

Iskandia Energy's aggregate liability to the Issuer for breach of the Services Agreement is limited to U.S.\$1,500,000.

The Services Agreement will continue in force until 31 December 2021 unless previously terminated. Either party may terminate on a one year's notice at any time, or earlier in the event of a material breach by the other party.

The Directors are of the view that the Issuer should keep to a minimum its own overhead structure and, wherever possible and economic to do so, will look to outsource its personnel requirements. The Issuer, advised by Iskandia Energy, will also make direct outsourcing arrangements with local oil services businesses in the regions in which its acquisitions operate, including key players selected for their track record, their capability to deliver, their ability to source potential neighbouring oil assets and their local footprint (the "**Cornerstone Teams**").

Operational management

The operational management of the Issuer is divided by actions and responsibilities, as set out in the following table:

Responsibilities	Roadmap	Prior approval	Delegation	Implementation	Reporting	Control
Operational management of the oil fields	Iskandia Energy	Iskandia Energy	Cornerstone team	Cornerstone team and operators	Cornerstone team	Iskandia Energy
Marketing and sales of the production	Iskandia Energy	Iskandia Energy	Cornerstone team	Cornerstone team and operators	Cornerstone team	Iskandia Energy
Advanced OR implementation	Iskandia Energy	Iskandia Energy	Cornerstone team	Cornerstone team and operators	Cornerstone team	Iskandia Energy
Other general and administrative expenses	Iskandia Energy	Cornerstone team	Cornerstone team	Cornerstone team	Cornerstone team	Iskandia Energy
Management of the working interest of the oil wells	Iskandia Energy	Cornerstone team	Cornerstone team	Cornerstone team	Cornerstone team	Iskandia Energy
Finance and treasury	Iskandia Energy	Iskandia Energy	Cornerstone team	Iskandia Energy and Cornerstone team	Cornerstone team	Iskandia Energy
Budget and forecast	Iskandia Energy	Iskandia Energy	Cornerstone team	Cornerstone team	Iskandia Energy	Iskandia Energy
Business plan	Issuer	Issuer	Iskandia Energy	Iskandia Energy and Cornerstone team	Iskandia Energy	Issuer
Sourcing of the assets	Issuer	Issuer	Iskandia Energy	Iskandia Energy and Cornerstone team	Iskandia Energy	Issuer
Funding of the assets	Issuer	Issuer	Iskandia Energy	Iskandia Energy	Iskandia Energy	Issuer

Conflicts of Interest

The Issuer and the Directors recognise that from time to time the interests of the Issuer may conflict with the interests of Iskandia Energy, or one or more Directors may find themselves in a position where they have personal or business interests, or are subject to duties, which conflict with their duties as a Director. Accordingly, the Issuer has established a Conflict of Interests Committee that operates as a Committee of the Board of Directors.

The Conflict of Interests Committee consists of three Directors, a majority of whom will be independent non-executive Directors. The Conflict of Interests Committee is responsible for assessing potential conflicts of interests arising between the affiliates of the Group of the Issuer or when retaining a third party service provider. The Conflict of Interests Committee can be convened by any of the Directors. A report will be provided to the annual shareholders' meeting of the Issuer.

Responsible Investment Policy

The Issuer intends to adopt a Responsible Investment Policy in accordance with ESG standards and the United Nations-supported Principles for Responsible Investment (PRI) Initiative.

The due diligences of the assets will include the definitions and the assessments of KPIs in this respect. Objectives of progress will be assigned individually to the assets and to the Issuer as a whole. Reporting will be made at the level of the Board of Directors of the Issuer and at annual shareholders meetings.

Glossary

2P	Proven and probable reserves of oil
API	American Petroleum Institute
Bbl	Barrel of oil
Boepd	Barrel of oil equivalent per day (i.e. oil and gas)
Bopd	Barrel of oil per day
CF	Cash flow
DACF	Debt-adjusted cash flow
EBITDA	Earnings before interest, taxes, depreciation and amortization
EOR	Enhanced Oil Recovery
ESG	Environmental, social and corporate governance
EV	Equity value
KPI	Key performance indicator
WTI	West Texas Intermediate

TAXATION

The following is a general description of certain tax considerations relating to the Bonds and does not purport to be a comprehensive analysis of all tax considerations relating to the Bonds. Prospective purchasers of Bonds are advised to consult their own tax advisers with respect to the tax consequences of the purchase, ownership and disposal of the Bonds arising in their particular circumstances, including, but not limited to, the consequences of the receipt of interest on the Bonds and the sale or redemption of the Bonds (in particular, in view of tax laws of countries of which they are residents, the applicability and effect of any other tax laws or tax treaties, and of pending or proposed changes in applicable tax laws as at the date of this Offering Circular, and of any actual changes in applicable tax laws after such date).

This summary should not be used for the purposes of the analysis of any tax implications arising for any instruments other than the Bonds. It is based upon the laws as in effect on the date of this Offering Circular. The Issuer does not assume any obligation to update this summary after the date of the issuance of the Bonds for any such changes in the applicable laws.

The information and analysis contained within this section are limited to tax issues, and prospective investors should not apply any information or analysis set out below to other areas, including (but not limited to) the legality of transactions involving the Bonds.

United Kingdom

The following is a general summary of the Issuer's understanding of certain aspects of current United Kingdom law and published HM Revenue & Customs ("HMRC") practice relating to certain aspects of United Kingdom taxation. It applies only to persons who are the absolute beneficial owners of Bonds and related Coupons and may not apply to certain classes of persons, such as dealers and persons connected with the Issuer, to whom special rules may apply.

Prospective Bondholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should seek independent professional advice without delay.

Withholding Tax on Interest Paid

Payments of interest made in respect of Bonds which carry a right to interest and are listed on a "recognised stock exchange" within the meaning of Section 1005 Income Tax Act 2007 (the "**Act**") may be made without withholding or deduction for or on account of United Kingdom income tax.

Section 1005(3) of the Act provides that securities will be listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country

outside the United Kingdom in which there is a recognised stock exchange. The SGX-ST is a recognised stock exchange.

In addition to the exemption referred to above, the Issuer is entitled to make payments of interest on the Bonds without withholding or deduction for or on account of United Kingdom income tax if, at the time the relevant payments are made, the Issuer reasonably believes that, broadly, the person beneficially entitled to the income is a company within the charge to United Kingdom corporation tax in respect of the interest or falls within a list of specified tax-exempt entities and bodies (unless HMRC has given a direction that this exemption shall not apply, having reasonable grounds for believing the conditions for the exemption will not be met). In other cases interest will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to any direction to the contrary by HMRC under the provisions of an applicable double taxation treaty.

If Bonds are issued at a discount to their principal amount, any such discount element is not subject to any United Kingdom withholding tax. If Bonds are redeemed at a premium to principal amount (as opposed to being issued at a discount) then, depending on the circumstances, such premium may constitute a payment of interest for United Kingdom tax purposes and hence be subject to the United Kingdom withholding tax rules outlined above.

HMRC has powers in certain circumstances to require persons paying or crediting interest in the ordinary course of its business to provide information and documents to HMRC in respect of the interest paid or credited and the persons to whom the interest was so paid or credited. This may include details of the beneficial owners of the Bonds, of the persons for whom the Bonds are held and of the persons to whom payments derived from the Bonds are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of Bonds, persons who make, receive or are entitled to receive payments derived from the Bonds and persons by or through whom interest and payments treated as interest are paid or credited. In certain circumstances, HMRC may be entitled to exchange such information with the tax authorities of other jurisdictions. Interest for this purpose includes any amount to which a person holding a deeply discounted security is entitled on redemption of that security.

UK Stamp Duty Reserve Tax

Any agreement to transfer the Bonds should not be subject to UK stamp duty reserve tax (“**SDRT**”) provided that no election is or has been made under Section 97A of the Finance Act 1986 (a “**97A election**”) by the relevant clearing system that applies to the Bonds. On 21 December 2015 and 24 December 2015, the Issuer received confirmation from Clearstream, Luxembourg and Euroclear, respectively, that the Bonds would be admitted to their respective systems without a 97A election applying to the Bonds. However, if a 97A election were to apply to the Bonds in the future, agreements to transfer the Bonds within the clearing systems could be subject to SDRT at the rate of 0.5 per cent. of the consideration given under the agreement to transfer the Bonds.

EU Directive on the Taxation of Savings Income

Under the Savings Directive, Member States are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual resident in another Member State, except that for a transitional period Austria instead operates a withholding system unless during that period it elects otherwise (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries and territories). The rate of withholding tax in Austria is 35 per cent. Certain other jurisdictions, including Switzerland, have enacted equivalent legislation which imposes a withholding tax in substantially the same circumstances as envisaged by the Savings Directive.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

On 9 December 2014, the Council of the European Union adopted a further Directive (EU Council Directive 2014/107/EU amending EU Council Directive 2011/16/EU) on the mandatory automatic exchange of information, to implement the OECD measures known as the **“Common Reporting Standard”**. Member States are required to implement this Directive in respect of taxable periods from 1 January 2016 and to begin exchanging information pursuant to such Directive no later than 30 September 2017 (subject to deferral under transitional rules in the case of Austria). The Common Reporting Standard is generally broader than the Savings Directive, although it does not impose withholding taxes.

On 10 November 2015, the Council of the European Union adopted EU Council Directive 2015/2060/EU repealing the Savings Directive with effect from 1 January 2016 (or 1 January 2017 in the case of Austria), subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates. The repeal of the Savings Directive is intended to prevent overlap between the Savings Directive and the Common Reporting Standard.

Holders of the Bonds should note that should any payment in respect of the Bonds be subject to withholding imposed as a consequence of the Savings Directive or under equivalent legislation, no additional amounts would be payable by the Issuer pursuant to the provisions of Condition 16.

U.S. Foreign Account Tax Compliance Withholding

Sections 1471 through 1474 of the Code, and U.S. Treasury regulations promulgated thereunder (together **“FATCA”**) impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a **“foreign financial institution”**, or **“FFI”** (as defined by FATCA)) that does not become a **“Participating FFI”** by entering into an agreement with the U.S. Internal Revenue Service (**“IRS”**) to provide the IRS with certain information in respect of its account holders or is not otherwise

exempt from or in deemed compliance with FATCA and (ii) any account holder (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such account holder is a U.S. person or should otherwise be treated as holding a “United States account” (as defined under FATCA) of the Issuer (a “**Recalcitrant Holder**”).

FATCA implementation is being phased in for payments from sources within the United States and is currently proposed to apply to “foreign passthru payments” (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2019. This withholding on foreign passthru payments would potentially apply to payments in respect of (i) any Bonds issued or materially modified on or after the “grandfathering date” which is the date that is six months after the date on which final U.S. Treasury regulations defining the term “foreign passthru payment” are filed with the Federal Register; and (ii) any Bonds characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Bonds are issued on or before the grandfathering date, and additional Bonds of the same series are issued after that date, the additional Bonds may not be treated as grandfathered, which may have negative consequences for the existing Bonds, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into or announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA (each, an “**IGA**”). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a “Reporting Financial Institution” or “Reporting FI” (as defined by the IGA) that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a “**FATCA Withholding**”) from payments it makes (unless, in certain circumstances, it has agreed to do so under the U.S. “qualified intermediary”, “withholding foreign partnership”, or “withholding foreign trust” regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA requires Reporting FIs to apply FATCA Withholding to U.S. source payments in certain circumstances and leaves open the possibility that a Reporting FI might in the future be required to make FATCA Withholdings on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders to its home government or to the IRS unless it is treated as exempt from having “financial accounts” for FATCA purposes. The United States and the United Kingdom have entered into an agreement (the “**U.S.-UK IGA**”) based largely on the Model 1 IGA.

The Issuer is currently not expected to be required to make any FATCA Withholdings before 1 January 2019 (at the earliest) from the payments it makes. There can be no assurance, however, that the Issuer would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the Issuer and financial institutions through which payments on the Bonds are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Bonds is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Bonds, neither the Issuer nor any Paying and Conversion Agent nor any other person would, pursuant to the conditions of the Bonds, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Bonds are in global form and held within a clearing system, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Bonds by the Issuer or any Paying and Conversion Agent and the common depositary for such clearing system, given that each of the entities in the payment chain between the Issuer and the participants in the clearing system is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Bonds. The documentation expressly contemplates the possibility that, in certain specific circumstances, the Bonds may convert into definitive form and therefore cease to be held through a clearing system. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding. However, conversion into definitive bonds is only anticipated to occur in remote circumstances.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA Withholding. It may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose the custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation implementing IGAs relating to FATCA, if applicable), and provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Bonds are discharged once it has paid the common depositary for the clearing system (as legal owner of the Bonds) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUER AND THE BONDS IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAs, AND THE IGA BETWEEN THE UNITED KINGDOM AND THE UNITED STATES, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND BONDHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS

AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCES.

The Proposed Financial Transactions Tax (“FFT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Bonds (including secondary market transactions) in certain circumstances.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (A) by transacting with a person established in a participating Member State or (B) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate.

Prospective holders of Bonds are advised to seek their own professional advice in relation to the FTT.

OFFERING RESTRICTIONS

General

Neither the Issuer nor the Arranger has made any representation that any action will be taken in any jurisdiction by the Arranger or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Offering Circular (in preliminary, proof or final form) or any other offering materials relating to the Bonds, in any country or jurisdiction where action for that purpose is required. The Arranger has agreed to comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Offering Circular (in preliminary, proof or final form) or any offering materials relating to the Bonds, in all cases at its own expense.

United States

The Bonds and the Ordinary Shares to be issued upon conversion of the Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Bonds and the Ordinary Shares to be issued upon conversion of the Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of such Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

The Arranger has represented and agreed that:

- (A) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (B) it has complied and will comply with all applicable provisions of the FSMA with respect to thing done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Switzerland

The Arranger has represented and agreed that the Bonds are not being offered to the public in or from Switzerland and neither this Offering Circular nor any other offering materials relating to the Bonds may be distributed in connection with any such public offering.

GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by a meeting of the Board of Directors of the Issuer held on 30 December 2015.
2. Since 29 October 2015 (being the date of the Issuer's incorporation), there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the financial or trading position of the Issuer.
3. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) arising during the 12 months preceding the date of this Offering Circular which may have or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
4. Approval in-principle has been received for the listing of the Bonds on the SGX-ST. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Permanent Global Bond is exchanged for definitive Bonds, the Issuer has agreed in the Trustee to appoint and maintain a Paying and Conversion Agent in Singapore, where the definitive Bonds may be presented or surrendered for payment, conversion or redemption. In addition, in the event that the Permanent Global Bond is exchanged for definitive Bonds, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Bonds, including details of the Paying and Conversion Agent in Singapore. The Bonds will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 with a minimum of 100 lots to be traded in a single transaction for so long as any of the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.
5. The Bonds have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 133709312. The International Securities Identification Number (ISIN) for the Bonds is XS1337093121.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L -1855 Luxembourg.

6. There are no material contracts entered into other than in the ordinary course of the business, which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds being issued.
7. Where information in this Offering Circular has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

8. For the period of 12 months starting on the date on which this Offering Circular is made available to the public, copies of the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer:
- (i) the Trust Deed;
 - (ii) the Agency Agreement;
 - (iii) the Articles of Association of the Issuer; and
 - (iv) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular.

REGISTERED OFFICE OF THE ISSUER

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