

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser in your own jurisdiction.

If you have sold or otherwise transferred all of your Existing Ordinary Shares before the date that the Existing Ordinary Shares are marked "ex-entitlement" to the Open Offer by the London Stock Exchange, please immediately forward this document, together with the accompanying Application Form and Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected. However, this document and any accompanying documents should not be sent or transmitted in or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa.

The Directors of the Company, whose names and functions appear on page 6 of this document, accept responsibility (both individually and collectively) for the information contained in this document. To the best of the knowledge and belief of such Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The total consideration under the Open Offer will be less than €8,000,000 (or such equivalent amount in pounds sterling) in aggregate. Accordingly, this document is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom ("FCA"), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. An application will be made to the London Stock Exchange for the New Ordinary Shares to be issued pursuant to the Proposals to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares to be issued pursuant to the Proposals will commence at 8.00 a.m. on 21 May 2021.

BAHAMAS PETROLEUM COMPANY PLC

(Incorporated in the Isle of Man under the Companies Acts 1931-2004 and with Company Number 123863C)

Notice of Extraordinary General Meeting relating to:

Proposed Change of Name

Proposed Share Consolidation

Proposed General Share Issuance Authority

Amendments to Conditional Convertible Note Facility

Changes to Board and Management

Proposed Open Offer and Placing

Notice of the Extraordinary General Meeting of the Company (EGM), to be held at IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP and convened for 11:00 a.m. on 17 May 2021, is set out at the end of this document. In accordance with current government instructions in respect of the evolving situation regarding COVID-19 and the changing restrictions on social contact, public gatherings and non-essential travel, we request that you do not physically attend the EGM and instead you should return your form of proxy or appoint your proxy electronically (as the case may be) by the relevant time and appoint the chairman of the meeting as your proxy. As at the time of publication of this document, it is unclear what restrictions will be in place regarding public gatherings at the time of the meeting and in order to comply with current government public health instructions, it may be that gatherings of individuals are restricted in number and accordingly any Shareholder or proxy that attempts to physically attend the EGM may be refused admission. **A Form of Proxy for use at the meeting accompanies this document. To be valid, Forms of Proxy must be completed and returned so as to be received at the offices of the Company's registrar, Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL not later than 11:00 a.m. on 15 May 2021.**

The latest time and date for acceptance and payment in full under the Open Offer is 11:00 a.m. on 12 May 2021. The procedure for acceptance and payment is set out in Part III of this document and, for Qualifying Shareholders who hold their shares in certificated form only, in the accompanying Application Form. Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

You should read the whole of this document. Your attention is drawn, in particular, to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends that you vote in favour of all of the Resolutions which are to be proposed at the General Meeting. The implementation of the Proposals is conditional upon, *inter alia*, approval by Shareholders of the Resolutions at the Extraordinary General Meeting and Admission. A summary of the action to be taken by Shareholders is set out in Section 7 of Part I of this document.

In addition, your attention is drawn to Part II of this document entitled “Risk Factors” which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company through the Open Offer.

The issue of New Ordinary Shares is conditional, *inter alia*, on Admission taking place on or before 21 May 2021 (or such later date (being not later than 1 June 2021) as the Company and the Joint Brokers may agree). The New Ordinary Shares to be issued pursuant to the Proposals will, on Admission, rank in full for all dividends or other distributions thereafter declared, made or paid on the Ordinary Share capital of the Company and will rank *pari passu* in all other respects with the New Ordinary Shares arising from the consolidation of the Existing Ordinary Shares.

Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form will be sent an Application Form. Qualifying CREST Shareholders (who will not receive an Application Form) will receive a credit to their appropriate stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 26 April 2021. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked “ex-entitlement” by the London Stock Exchange.

Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

If the Open Offer Entitlements or Excess CREST Open Offer Entitlements are for any reason not enabled by 8.00 a.m. on 26 April 2021 or such later time and/or date as the Company may decide on, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. The Application Form is personal to the relevant Qualifying Shareholder and cannot be transferred sold, assigned except to satisfy *bona fide* market claims.

Strand Hanson Limited (“Strand Hanson”), which is authorised and regulated in the United Kingdom by the FCA, is the Company’s nominated and financial adviser for the purposes of the AIM Rules and, as such, its responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person or entity in respect of his reliance on any part of this document. Strand Hanson is acting exclusively for the Company, as nominated adviser for the purposes of the AIM Rules, in relation to the matters described in this document and is not taking responsibility for the commercial assessment of the Open Offer, which remains the sole responsibility of the Board, nor for any matters outside the duties of a nominated adviser, as prescribed by the AIM Rules, nor is it advising any other person and accordingly will not be responsible to any person other than the Company for providing the protections afforded to the clients of Strand Hanson or for providing advice in relation to the matters described in this document. No representation or warranty, express or implied is made by Strand Hanson for the accuracy of any information or opinions contained in this document or for the omission of any material information, for which it is not responsible.

Shore Capital Stockbrokers Limited (“Shore Capital”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Proposals or in relation to the matters described in this document and is not taking responsibility for the commercial assessment of the Open Offer, which remains the sole responsibility of the Board, and will not be responsible to any person other than the Company for providing the protections afforded to the clients of Shore Capital nor for providing advice to any other person in relation to the Proposals or any other matter referred to in this document.

Investec Bank PLC (“Investec”), which is authorised by the Prudential Regulation Authority and is regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for the Company and no-one else in connection with the Proposals or in relation to the matters described in this document and is not taking responsibility for the commercial assessment of the Open Offer, which remains the sole responsibility of the Board, and will not be responsible to any person other than the Company for providing the protections afforded to the clients of Investec nor for providing advice to any other person in relation to the Proposals or any other matter referred to in this document.

Gneiss Energy Limited (“Gneiss Energy”), which is an appointed representative of Talbot Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Proposals or in relation to the matters described in this document and is not taking responsibility for the commercial assessment of the Open Offer, which remains the sole responsibility of the Board, and will not be responsible to any person other than the Company for providing the protections afforded to the clients of Gneiss Energy nor for providing advice to any other person in relation to the Proposals or any other matter referred to in this document.

The information contained in this document has been prepared solely for the purposes of the Proposals and is not intended to inform or be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and, accordingly, no duty of care is accepted in relation to them. Without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by the Joint Brokers as to the contents of this document. The Joint Brokers have not authorised the contents of any part of this document. No liability whatsoever is accepted by the Joint Brokers for the accuracy of any information or opinions contained in this document, for which the Directors are solely responsible, or for the omission of any information from this document for which they are not responsible.

Notice to overseas persons

The distribution of this document and/or the accompanying documents, and/or the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the United States, Canada, Japan, Australia, the Republic of Ireland and the Republic of South Africa, may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Open Offer Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements has been or will be registered under the US Securities Act or under the applicable state securities laws of the United States or under the applicable securities laws of Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa. Subject to certain exceptions, the Open Offer

Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements may not be offered, sold, taken up, delivered or transferred in or into the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa and, subject to certain exceptions, Application Forms are not being posted to and no Open Offer Entitlements or the Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled "Overseas Shareholders" at paragraph 6 of Part III of this document.

The distribution of this document and/or the Application Form and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The New Ordinary Shares have not been and will not be registered under the Securities Act or the state securities laws of the United States and none of them may be offered or sold in the United States unless pursuant to a transaction that has been registered under the Securities Act and the relevant state securities laws or that is not subject to the registration requirements of the Securities Act or such laws, either due to an exemption therefrom or otherwise.

Neither the New Ordinary Shares nor this document have been approved, disapproved or otherwise recommended by an US federal or state securities commission or other regulatory authority or any non-US securities commission or regulatory authority nor have such authorities confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Certain risks to and uncertainties for the Company are specifically described in Part II of this document headed "Risk Factors". Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

Basis on which information is presented

In the document, references to "pounds sterling", "£", "GBP", "pence" and "p" are to the lawful currency of the United Kingdom. In the document, to "dollars", "\$" and "USD" are to the lawful currency of the United States of America.

References to defined terms

Certain terms used in this document are defined and explained at the section of this document under the heading "Definitions". All times referred to in this document are, unless otherwise stated, references to London time.

Rounding

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent.

Presentation of market, economic and industry data

This document contains information regarding the Company's business and the industry in which it operates and competes, which the Company has obtained from various third-party sources. Where information contained in this document originates from a third-party source, it is identified where it appears in this document together with the name of its source. Such third-party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Data protection

The information that a prospective investor provides in documents in relation to a purchase of Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("personal data") will be held and processed by the Company (and any third party to whom it may delegate certain administrative functions in relation to the Company) in compliance with the relevant data protection legislation and regulatory requirements of the United Kingdom and the Isle of Man. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;

- contacting the prospective investor with information about products and services, or its affiliates, which may be of interest to the prospective investor;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in England and Wales, the Isle of Man and elsewhere (as required); and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/ or administer the Company's business.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- transfer personal data outside of the UK or Isle of Man to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the Isle of Man.

If the Company (or any third party, functionary or agent appointed by a member of the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data are disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data. In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

No incorporation of website information

Other than in respect of financial information, the contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and prospective investors should not rely on them.

This document is published on 24 April 2021.

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DIRECTORS, COMPANY SECRETARY AND ADVISERS

| | |
|--|---|
| Directors | Bill Schrader (<i>Non-Executive Chairman</i>) James Smith (<i>Non-Executive Deputy Chairman</i>) Adrian Collins (<i>Non-Executive Director</i>) Ross McDonald (<i>Non-Executive Director</i>) Simon Potter (<i>Chief Executive Officer</i>) |
| Company Secretary | Benjamin Proffitt |
| Registered Office | IOMA House Hope Street Douglas Isle of Man IM1 1AP |
| Nominated Adviser | Strand Hanson Limited 26 Mount Row London W1K 3SQ |
| Broker | Shore Capital Stockbrokers Limited Cassini House 57-58 St. James's Street London SW1A 1LD |
| Broker | Investec Bank PLC 30 Gresham Street London EC2V 7QN |
| Financial Adviser and Placing Agent | Gneiss Energy Limited 64 North Row London W1K 7DA |
| Legal advisers to the Company | Clyde & Co LLP St Botolph Building 138 Houndsditch London EC3A 7AR |
| Legal advisers to the Nominated Adviser and the Joint Brokers | Pinsent Masons LLP 30 Crown Place, Earl Street London EC2A 4ES |
| Registrars | Link Market Services (IOM) Limited Clinch's House Lord Street Douglas, Isle of Man IM99 1RZ |
| Receiving Agent | Link Group Corporate Actions 10 th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL |

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|--|--|
| Record Date for entitlement under the Open Offer | 6:00 p.m. on 21 April 2021 |
| Announcement of the Open Offer | 7:00 a.m. on 23 April 2021 |
| Ex-entitlement date of the Open Offer | 8:00 a.m. on 23 April 2021 |
| Publication and posting of this Circular (inclusive of the Notice of Extraordinary General Meeting and the Application Form and Proxy Form) | 24 April 2021 |
| Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders | as soon as practicable after 8:00 a.m. on 26 April 2021 |
| Latest recommended time and date for requested withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST | 4:30 p.m. on 6 May 2021 |
| Latest time and date for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST | 3:00 p.m. on 7 May 2021 |
| Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims) | 3:00 p.m. on 10 May 2021 |
| Latest time and date for receipt of Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) | 11:00 a.m. on 12 May 2021 |
| Announcement of the result of the Open Offer and the launch of the Placing | 4:35 p.m. on 13 May 2021 |
| Announcement of the results of the Placing | 7:00 a.m. on 14 May 2021 |
| Latest time and date for filing of proxies for the Extraordinary General Meeting | 11:00 a.m. on 15 May 2021 |
| Extraordinary General Meeting | 11:00 a.m. on 17 May 2021 |
| Announcement of the result of the Extraordinary General Meeting | 17 May 2021 |
| Admission and dealings in the Open Offer and Placing Shares, and Placing Shares, Shares issued pursuant to the Conversion of £2.5 million Convertible Notes and Second Tranche Fee Shares expected to commence on AIM | 8:00 a.m. on 21 May 2021 |
| Where applicable, expected date for CREST accounts to be credited in respect of Open Offer Shares in uncertificated form | As soon as practicable after 8:00 a.m. on 21 May 2021 |
| Record date for the Share Consolidation | 4:30 p.m. on 21 May 2021 |
| Dealings in the New Ordinary Shares expected to commence on AIM | 8:00 a.m. on 24 May 2021 |
| Share certificates dispatched for Open Offer Shares and the Placing (as applicable) | By 31 May 2021 |

Notes:

- (1) All of the above times refer to London time unless otherwise stated. The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this document and the Application Form and Proxy Form may be adjusted by the Company, in which event details of the new dates will be notified by means of an announcement through a Regulatory Information Service and, where appropriate, to Shareholders.
- (2) Completion of all events in the above timetable following the holding of the Extraordinary General Meeting are conditional upon, *inter alia*, the passing of the Resolutions at the Extraordinary General Meeting.
- (3) The ability to participate in the Open Offer is subject to certain restrictions relating to Shareholders with registered addresses outside the UK, details of which are set out in Part III: "Terms and Conditions of the Open Offer" of this document.
- (4) Different deadlines and procedures for return of forms may apply in certain cases.
- (5) If you have any questions on the procedure for acceptance and payment under the Open Offer, you should contact the Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

STATISTICS RELATING TO THE OPEN OFFER

| | |
|---|---|
| Issue Price per Open Offer Share (pre-Share Consolidation) | 0.35 pence |
| Basis of proposed Share Consolidation | 1 for 10 |
| Issue Price per Open Offer Share (post-Share Consolidation on a 1:10 basis) | 3.5 pence |
| Number of Existing Ordinary Shares in issue as at the date of this document | 4,838,548,349 |
| Number of New Ordinary Shares in issue following the Share Consolidation on a 1:10 basis, before the issue of Open Offer Shares | 483,854,834 |
| Basis of Open Offer | 1 Open Offer Share for every 2.46 Existing Ordinary Shares |
| Maximum number of Open Offer Shares to be issued pursuant to the Open Offer (pre-Share Consolidation) | 1,966,889,572 |
| Maximum number of Open Offer Shares to be issued pursuant to the Open Offer (post-Share Consolidation) | 196,688,957 |
| Number of Existing Ordinary Shares (i) to be issued pursuant to an agreed early conversion of £2.5 million of currently outstanding Convertible Notes (including accrued interest) at the Open Offer Issue Price, and (ii) Fee Shares to be issued (all expressed on a pre-Share Consolidation basis) | 1,087,071,429 |
| Number of New Ordinary Shares (i) to be issued pursuant to an agreed early conversion of £2.5 million of currently outstanding Convertible Notes (including accrued interest) at the Open Offer Issue Price, and (ii) Fee Shares to be issued (all expressed on a post-Share Consolidation basis) | 108,707,143 |
| Maximum number of Existing Ordinary Shares in issue immediately following Admission ¹ (pre-Share Consolidation) | 7,892,509,349 |
| Maximum number of New Ordinary Shares in issue immediately following Share Consolidation | 789,250,934 |
| Maximum gross proceeds of the Fundraising ¹ | £6.9 million |
| Market capitalisation on Admission at the Issue Price ¹ | £27.6 million |
| Existing Ordinary Share ISIN (pre-Share Consolidation) | IM00B3NTV894 |
| New Ordinary Share ISIN (post-Share Consolidation) | IM00BN2RD444 |
| SEDOL (post-Share Consolidation) | BN2RD44 |
| Current AIM TIDM | BPC |
| Proposed AIM TIDM (subject to approval of resolution 3 at the Extraordinary General Meeting) | CEG |
| Open Offer Basic Entitlements ISIN | IM00BN2RD337 |
| Open Offer Excess Entitlements ISIN | IM00BMD6CD54 |

Notes:

- (1) Assuming full subscription under the Open Offer.
- (2) For reference purposes only, the following exchange rates have been used in this document:
 - (a) £1: US\$1.383
 - (b) £1: €1.155

All amounts referred to in this document expressed in the above currencies have unless otherwise, stated, been calculated using the above exchange rates.

**CAPITAL STRUCTURE OF COMPANY FOLLOWING COMPLETION OF
THE FUNDRAISING AND THE PROPOSALS**

| <i>Instrument</i> | <i>Description</i> | <i>New Ordinary Shares in Issue or Potentially in Issue</i> |
|---|--|---|
| <i>Convertible Notes in issue</i> | £2.5 million of Convertible Notes on Issue, convertible at a price of 8p per Note into 31,250,000 New Ordinary Shares (post-Share Consolidation) (not inclusive of interest, which may be settled in cash or partially converted on the same basis) | 31,250,000 |
| <i>Conditional Convertible Notes available to issue</i> | £10 million of Convertible Notes available for issue (subject to satisfaction of conditions), convertible at a price of 8p per Note into 125,000,000 New Ordinary Shares (post-Share Consolidation) | 125,000,000 |
| <i>Ordinary Shares in Issue</i> | 4,838,548,349 Existing Ordinary Shares in issue as at the date of this document, consolidated on the basis of 1:10 to 483,854,835 New Ordinary Shares, <i>plus</i> 108,707,143 New Ordinary Shares (post Share Consolidation) issued pursuant to the agreed early conversion of Conditional Convertible Notes and the issue of Fee Shares, <i>plus</i> 196,688,957 Open Offer Shares (post Share Consolidation) | 789,250,934 |
| <i>General Share Issuance Authority</i> | On a post-Share Consolidation basis, representing a future potential dilution of approximately 50 per cent. of the Fully Diluted Share Capital of the Company, and from within which general authority up to 60 million options are intended to be issued for retention and incentivisation purposes to the continuing management team and Board of the Company coincident with closing of the Open Offer, and 90 million options will be available to potentially be issued in the future for recruitment, retention and incentivisation purposes – see Section 3.4 of Part I for details | 750,000,000 |
| Other: | | |
| Pre-Existing Options and Warrants | 58,928,460 warrants and options in respect of New Ordinary Shares currently in issue on a post-Share Consolidation basis (589,284,599 on a pre-Share Consolidation basis) ranging between 16 pence and 40 pence per share (1.6 pence to 4 pence on a pre Share Consolidation basis) | 58,928,460 |

PART I

LETTER FROM THE CHAIRMAN

Bahamas Petroleum Company PLC

(Incorporated in the Isle of Man under the Companies Acts 1931-2004 and with Company Number 123863C)

Directors:

William (Bill) Schrader *(Non-Executive Chairman)*
James Smith *(Non-Executive Deputy Chairman)*
Adrian Collins *(Non-Executive Director)*
Ross McDonald *(Non-Executive Director)*
Simon Potter *(Chief Executive Officer)*

Registered Office:

IOMA House
Hope Street
Douglas
Isle of Man
IM1 1AP

24 April 2021

Dear Shareholders

Notice of Extraordinary General Meeting relating to:

Proposed Change of Name
Proposed Share Consolidation
Proposed General Share Issuance Authority
Amendments to Conditional Convertible Note Facility

Changes to Board and Management
Proposed Open Offer

1 Introduction

As announced on 23 April 2021, the Company's forward business strategy for the coming 12 months is firmly focussed on restoring value and creating the foundations for future value growth through significantly increasing oil production and thus cashflow in its assets in Trinidad and Tobago and Suriname.

In support of this strategy, the Company is proposing a series of actions with a view to 'resetting' the Company and its capital structure, along with a recapitalisation of the Company via an Open Offer and Placing, together allied to a general cost reduction initiative across the Company and various changes to the Board and management (in this document, all of these elements together are referred to as the "Forward Strategy").

As will be further detailed in this document, the components to the Forward Strategy are:

- (a) a number of corporate actions designed to 'reset' the Company and its capital structure, including a change of name of the Company, a consolidation of Existing Ordinary Shares, a refreshment of the Company's general share issuance authority, and an agreed early conversion of part of the outstanding Conditional Convertible Notes and ratification of amended terms, some of which actions require approval of Shareholders at an Extraordinary General Meeting (and for which notice is set out at the end of this document);
- (b) A recapitalisation of the Company, via an Open Offer to Qualifying Shareholders (including an Excess Application Facility) of up to approximately 1.967 billion Open Offer Shares at a price of 0.35 pence per Open Offer Share (pre-Share Consolidation), representing a discount of approx. 35 per cent. to both the closing share price on 20th April 2021 and the Volume Weighted Average Price (VWAP) of the Company's shares in the 30 trading days to 20 April 2021, and a Placing to institutional investors of any Open Offer Shares not taken up by

Qualifying Shareholders (the Open Offer and Placing together referred to as the “Fundraising”); and

- (c) **A transition of the Board and the senior management of the Company coupled with a comprehensive cost savings exercise across the Group (with a view to reducing overhead by 20 per cent. – 30 per cent. in the coming months), along with introduction of revised, aligned incentivisation arrangements for ongoing / new management and Board.**

When taken together, the various elements of the Forward Strategy represent what the Board considers to be a coordinated approach to charting a viable and value-restoring future course for the Company.

The main purpose of this document is to set out the details of, and reasons for, the Forward Strategy, describe how the approval of the Resolutions at the Extraordinary General Meeting (an “EGM” to be held at 11a.m. on 17th May) and the success of the Open Offer relate to the future direction and objectives of the Company, and thus explain why the Directors unanimously consider that the Resolutions to be proposed at the EGM and the Open Offer and the Placing (along with the various other corporate actions that constitute part of the Forward Strategy) are in the best interests of the Company and its Shareholders as a whole.

Should the Resolutions to be proposed at the EGM not be passed, the Fundraising will not proceed, in which case the Company will need to seek alternative sources of funding, or seek alternative methods of realising Shareholder value. Neither of these alternatives is expected to be as favourable for Shareholders or may not be achievable in the current stage of the Company’s development. The Board therefore considers that it is of the utmost importance that Shareholders vote in favour of the Resolutions to support the Open Offer and Placing and therefore the Directors recommend that you vote in favour of all of the Resolutions to be proposed at the EGM.

2 Background to and Strategic Context for the Forward Strategy

From 2008 until May 2020, Bahamas Petroleum Company PLC (the “Company” or “BPC”) had a singular focus on high-impact hydrocarbon exploration assets in The Bahamas, and in particular on four exploration licences located in the southern territorial waters of The Bahamas (collectively referred to as the “Southern Licences”). This culminated in the recent drilling of the Perseverance #1 well in late 2020 / early 2021.

During 2020, seeking to take advantage of the period of inactivity and industry change occasioned by the Covid-19 pandemic, the Company undertook a review of prevailing conditions in the oil and gas exploration sector. Based on this review, and while preparing for the drilling of Perseverance #1, the Company initiated a revised business strategy with a view to creating a broader, more diverse asset base. The objective was to create a portfolio business with a range of assets across multiple jurisdictions, a spread of operations across the industry spectrum from production to exploration, and to deliver investors a full-cycle exploration and production company centred on the Caribbean and the Atlantic margin capable of complementing high-impact exploration with growth in oil production and thus cashflow.

In terms of execution of this revised strategy, the Company completed two transactions in 2020: firstly, the successful application for a high-impact exploration licence offshore Uruguay, and secondly, a merger with Columbus Energy Resources PLC (“Columbus”), a company that owned and operated a range of complementary assets in Trinidad and Suriname. A core rationale for the Columbus transaction was the fact that the assets were already in production and generating income, with the Company having identified the potential to be able to grow that production, and hence income, materially in the near-term. However, in taking the first steps in creating the desired portfolio business through 2020, the Company’s management structure, capital structure, and market perception almost inevitably remained dominated by the imminent drilling of Perseverance #1 in The Bahamas.

Drilling of the Perseverance #1 well was subsequently completed in February 2021. However, the well did not result in a commercial discovery, albeit the well did encounter hydrocarbons, and was drilled safely and without environmental or safety incident. Technical issues while drilling the well also meant that the ultimate cost of the well will be considerably more than planned. The Company is currently in the process of both completing the post well technical analysis, and in parallel finalising payment terms and schedule for

remaining amounts invoiced, as well as resolving various items in dispute, which process it expects to complete in due course, thereby fully “closing out” the drilling program for Perseverance #1.

With the Perseverance #1 well completed and with better visibility of costs still to be paid (as set out in Section 4.1 below), the Company is now in a better position to consider the most advantageous plans for the various other components of its asset portfolio, as well as the demand for capital across the business. In particular, whilst the Company believes that maturation of its offshore assets in The Bahamas and Uruguay continue to be of significant longer-term value potential, the Company’s nearer-term focus, and immediate value creation potential, will be driven largely by the ability to achieve a step change in production and cashflow growth from its assets in Trinidad and Suriname, realising low-cost exploration success in Trinidad, continuing to expand a portfolio of complementary assets along with sourcing the capital needed to collectively progress these objectives.

It is in this context that the Board considers it to be an appropriate time to enact certain fundamental changes to the way that the Company operates going forward, reflective of the fact that the assets in The Bahamas no longer represent the sole or even dominant focus of the business.

To this end, a transition of the Company’s Board and management is occurring, alongside a change of name of the Company, a ‘reset’ of the Company and its capital base, a recapitalisation, and implementation of a cost reduction exercise. In aggregate, the Board considers this overall Forward Strategy to be the approach that will provide the Company with the best capacity and capability to restore and create future shareholder value.

2.1 **Key Business Value Drivers**

As a consequence of activities undertaken during 2020, BPC is now a Caribbean and Atlantic margin focused oil and gas company, with a range of exploration, appraisal, development and production assets and licences, located onshore in Trinidad and Suriname, and offshore in the waters of The Bahamas and Uruguay.

In 2020 BPC commissioned a Competent Persons Report, which certified net 2P reserves across BPC’s portfolio of production assets in Trinidad of 1.29 MMbbls, and net 2C contingent reserves of 7.46 MMbbls across BPC’s portfolio of assets in Trinidad and Suriname (each at the Company working interest).

Some 80 staff are employed globally in the Company’s operations (the majority of whom are located in Trinidad and are employed in active operations in that location). The Company owns and operates two workover rigs that are employed in support of production maintenance and enhancement activities in Trinidad.

2.2 **Production Transformation and Cashflow Growth**

The Company’s forward business strategy for the coming 12-18 months is firmly focussed on restoring and creating future value through significantly increasing oil production and thus cashflow in its assets in Trinidad and Tobago and Suriname. To achieve this, the Company is focussed on three principal activity sets:

- (a) Drilling of the Saffron #2 appraisal / production well in Trinidad and, in the event of success with that well, rapidly moving to develop the Saffron field, thereby significantly increasing Company production and cashflow,
- (b) Drilling of the Weg Naar Zee (WNZ) appraisal well and conducting an Extended Well Test (EWT) on that well in Suriname, and, in the event of success, rapidly moving to drill additional production wells across the WNZ field, thereby adding both further production and cashflow, and
- (c) Maintaining, enhancing and developing production (and resultant cashflow) at or from existing fields in Trinidad.

2.2.1 *The Saffron Development in Trinidad*

During 2020, an initial exploration well (“Saffron #1”) was drilled within the Bonasse licence in the South West Peninsula (“SWP”) of Trinidad. This well discovered oil in both the Lower Cruse

and Middle Cruse reservoirs. High-quality light oil (circa 40-degree API) was also recovered to surface from the Lower Cruse reservoir. The well encountered 2,363 ft of gross sands with six reservoir intervals of interest with a 47 per cent. net / gross ratio. On the basis of these results Columbus confirmed an estimated a field resource (as established pre-drill by seismic) of up to 11 MMbbls. Production was established from the Middle Cruse interval but due to mechanical failures in the execution of the Saffron #1 well, no production completion was established over the discovered oil in the Lower Cruse.

The Company is now planning to drill an appraisal / production well at the Saffron field. This well – Saffron #2 – is scheduled to commence drilling in May 2021 and has been designed to establish production from both the Middle and Lower Cruse reservoir horizons (though initially only from the Lower horizons). As such, a number of workstreams have already been completed to enable this to occur, including a detailed well plan (benefitting significantly from the drilling results and learnings from the drilling of Saffron #1), civil works to establish the well pad, purchase of all long-lead / major equipment items and contracts for required well services. The well conductor was installed in March and mobilisation of rig and associated equipment will commence this month and the well is expected to spud on or around 23 May 2021, subject to the successful completion of the Fundraising. The well design for Saffron #2 is for a total drilled depth of approximately 4,500 ft, with drilling expected to take up to 25-30 days to complete. The budget for the Saffron #2 appraisal well, inclusive of the production completion, is approximately US\$3 million.

The Saffron #2 appraisal well will be placed onto immediate production given the ready proximity to oil sales infrastructure. Expected production is in the range of 200 – 300 bopd. Based on a US\$60 / bbl oil price, this would generate, from this well alone, cashflows to BPC of US\$1.8 – US\$2.6 million per annum, with a full well payback of 12-18 months and a ROI of in excess of 200 per cent..

Contingent on Saffron #2 well success, an initial program of field development has been planned which could see a further five to nine production wells drilled during H2 2021 (subject to permitting, rig availability and capital availability), with field development drilling continuing thereafter, through 2022 and 2023. The current estimated overall field development would comprise up to 30 wells in total, with a peak production projection of approximately 4,000 bopd. The initial program of activity is projected to achieve an average daily production of 1,000 – 1,500 bopd by the end of 2021 which, based on a US\$60/bbl oil price, which alone would generate annualised cashflows to BPC of US\$8 – US\$12 million. For context, the projected full Saffron field development scenario would generate annual cash flows for the Company in excess of US\$25 million per annum.

2.2.2 *The Weg Naar Zee Project in Suriname*

In October 2019, a Production Sharing Contract (“PSC”) was entered into with Staatsolie Maatschappij Suriname N.V, the Suriname state-owned petroleum company (“Staatsolie”), to secure an onshore appraisal / development project contained in the Weg Naar Zee Block (“WNZ”). BPC holds a 100 per cent. working interest in WNZ, however, Staatsolie has the right to participate in the development phase with up to a 50 per cent. working interest, subject to Staatsolie reimbursing BPC for *pro-rata* share of costs incurred up to that point and funding its own share of costs thereafter.

WNZ is a large block (900 km²) in a proven hydrocarbon province with 70 historic wells and 2D seismic coverage. Up to 24 MMbbls STOIIIP (15 degrees API) has been identified in eight pools (of which around half is in a single pool) with the recently completed CPR assessing 2C resources of 1.1 MMbbls and 3C resources of 3.5 MMbbls.

An extended well test (“EWT”) has been designed to appraise the producibility of the discovered resource in the WNZ block, and to assess whether the asset is suitable for application of enhanced oil recovery techniques used by BPC in Trinidad. To date, approval from Staatsolie to proceed with the planned drilling program has been received as has approval from NIMOS (the Surinamese environmental regulator). The proposed well site has been scouted, various

in-country contractors and well equipment has been sourced, and rig tenders have been received from a number of suppliers.

The Company is thus ready to proceed with drilling of a first WNZ well, albeit operational challenges arising from the Covid-19 situation in Suriname have resulted in the decision to move the projected well spud date to July 2021.

This first well will target the largest of the undrained pools (twinning with an existing successful production well), will be drilled to a total depth of less than 1,000 ft., is expected to take around 10 days to complete, and has an estimated cost of US\$0.6 million. The EWT to follow is expected to run through to the end of 2021, and cost approximately an additional \$150,000.

On successful production, the forward EWT program for the balance of 2021 at WNZ could include the potential for drilling a further four production wells (subject to permitting, rig availability and capital availability), with field development drilling continuing thereafter, through 2022 to 2024. The current estimated overall field development could ultimately comprise up to approximately 50 wells in total over time, at a cost of approximately \$300,000 per well (albeit with most wells paid for from cashflow generated by the project itself), with peak production projected to be approximately 900 to 1,000 bopd. A successful WNZ initial field development of four additional production wells is projected to produce around 100 bopd which, based on a US\$60/bbl oil price, would result in cash flows to BPC of US\$1m per annum. For context, the projected full WNZ field development scenario would generate anticipated annual cash flows for the Company in excess of US\$2.5 million (based on the same oil price assumption).

2.2.3 Growth of Existing Production in Trinidad and Tobago

In Trinidad and Tobago, the Company has five producing fields – comprising of some 250 wells (of which over 80 are producing) – with current production averaging in the range of 450-500 bopd. This represents a stabilisation of natural production decline and, at currently prevailing oil prices, results in positive operating cashflows in Trinidad (at a US\$60/bbl oil price, 500 bopd of stable production from these fields results in annual cashflows to BPC of approximately US\$3 million per annum, which approximately equates to the Company's operating costs and overhead in Trinidad). The fields are:

- (a) **Goudron Field:** the Company owns 100 per cent of the rights to the Goudron field by way of an enhanced production services contract ("EPSC") with Heritage Oil Limited, the Trinidad state-owned oil and gas company. The EPSC was renewed in 2020 for a 10-year term. The Goudron Field produces light sweet oil with an average API gravity of 37 degrees. The Company is progressing enhanced oil recovery programs to support increased production, for example by undertaking a water injection pilot project focussed on re-pressuring reservoir units (subject to necessary approvals). Additionally, regular well workover operations are undertaken on the existing production wellstock, including well stimulation operations, reperforations, and repairs to shut-in wells, as and when appropriate.
- (b) **Inniss-Trinity Field:** the Company owns 100 per cent of the rights to the Inniss-Trinity field by way of an incremental production services contract ("IPSC") with Heritage Oil Limited. The IPSC is due for renewal in December 2021 and the Company is undertaking the process for a 10-year renewal. As part of the Inniss-Trinity IPSC, the Company, in cooperation with Predator Oil and Gas Holdings PLC ("Predator"), has implemented a CO₂ enhanced oil recovery project with the objective of increasing field production and proving the applicability of the technique for other onshore opportunities. As per recent announcements by Predator, the project continues with the recent re-completion of AT5x back to a well capable of CO₂ injection where continued injection awaits final approval from the regulator. Similar to operations on the Goudron field, regular well workover operations are undertaken on the existing production wellstock, including well stimulation operations, reperforations and repairs to shut-in wells, as and when appropriate.
- (c) **South Erin Field:** the Company owns 100 per cent of the rights to the South Erin field by way of a farm-in to the licence held by Heritage Oil Limited. The farm-out agreement is due for renewal in December 2021 and provides for an option to renew for a period of 5 years, subject to certain conditions. The Company is undertaking the process for such

a renewal. The South Erin field is currently producing from six wells, but BPC has identified a number of drill-ready compartments on the licence which will be assessed in the context of other in-field drilling opportunities across the portfolio and as commercially justified.

- (d) **South West Peninsula Fields: Bonasse and Icacos:** the SWP contains the Bonasse and Icacos producing oilfields. Through subsidiaries BPC holds a 100 per cent. interest in a number of private petroleum licences for the Bonasse, Cedros and Icacos licence areas.
- (e) **Cory Moruga Field (Snowcap Development):** the Company owns 83.8 per cent of the rights to the Cory Moruga licence, alongside its partner Touchstone Exploration Inc. which owns 16.2 per cent. The Cory Moruga licence includes the Snowcap oil discovery, with oil having been produced on test from the Snowcap-1 and Snowcap-2ST wells. The Snowcap-2 test was conducted in early 2019 and yielded oil at varying rates. BPC is currently reviewing its options for the licence in line with other opportunities across the portfolio.

The Company uses its two owned and operated workover rigs to complete incremental workover projects across its fields of operation and in the last two months has added an additional 50 bopd to the baseline production, which serves to offset natural production decline from these aged reservoirs. Projects undertaken include both wellbore damage clean outs and addition of new oil zones. An additional 10 workover projects are planned for Q2 2021 on the Goudron and Inniss-Trinity fields that will primarily access zones that have previously not been adequately produced through recompletions and additional perforations. Further similar projects will be shortlisted and scheduled for execution throughout the remainder of 2021.

The Company has recently undertaken full-field asset reference plans for each of the operating fields, that has revealed potential unswept or compartmentalised oil that may be recovered through either further workovers or infield drilling, and accordingly plans are being put in place to capture that oil in order to enhance and grow production.

As consequence of this work a number of incremental projects aimed at increasing production are planned, including in particular:

- (a) **Infill Drilling Project:** The Company has undertaken a considerable body of work to screen prospective infill drilling opportunities for new production wells in the existing producing fields. In total, over 40 potential locations were evaluated across the assets. As a result, four high potential drill sites (being sites considered to have a high chance of producing incremental volumes at a sufficient rate to offer excellent potential payback / ROI metrics) are being considered for near-term drilling. Two of the potential infill drill-sites are in Eastern fields, and two in Western fields. Target depths range from between 2,500 – 3,500 ft, estimated well costs are in the range of US\$1.2 – US\$1.5 million per well, with estimated productions rates in the range 50 – 100 bopd per well and ultimate recovery of 75,000 bbls per well. Subject to permitting, rig availability and capital availability, the Company intends to proceed with these infill drilling opportunities during H2 2021, and
- (b) **Automation Project:** The Company and Weatherford have agreed to an extended trial of Weatherford's proven well automation systems during Q2 2021 on five wells across the Goudron and Inniss Trinity fields. The trial will automate the pumping units to optimise the production rates, allow real time monitoring and improved data collection for analysis across the entire production system. The trial will last for 60 days and the installation and associated costs will be borne by Weatherford. Following the completion of the trial, BPC has the option to acquire at low cost the installed equipment on any or all of the trial wells.

2.3 High-Impact Exploration

Whilst the Company's forward business strategy for the coming 12-18 months is firmly focussed on restoring and creating future value through significantly increasing oil production and thus cashflow from its assets in Trinidad and Tobago and Suriname, pursuing high-impact exploration activities in an effective low-cost manner, as a means of complementing production growth and cashflow generation with longer term value growth, remains a component of the Company's overall strategy and business.

In this regard, the Company is focussed on three principal exploration activity sets:

- (a) Maturing the exploration prospect represented by the Company's extensive licence position in the South West Peninsula of Trinidad,
- (b) Seeking a farm-out of the Company's licences in The Bahamas, and
- (c) Progressing the initial low-cost technical work required to mature the exploration prospectivity represented within the recently acquired OFF-1 licence in Uruguay.

2.3.1 *The South West Peninsula of Trinidad*

The South West Peninsula (SWP) of Trinidad, in which the Company has a large licence position, represents the Company's main exploration acreage in Trinidad with numerous prospects consisting of both stacked shallow and deeper reservoirs. The area is assessed internally by BPC as having a resource level amounting to approximately 230 MMBbls, containing up to nine Saffron-sized prospects.

BPC is undertaking reprocessing of the entire 3D seismic grid over the area in 2021. Re-processing commenced in April 2021 and is anticipated to be complete within six months. Results from this reprocessing work, along with existing data, will support the selection of future low-cost exploration drill targets.

2.3.2 *The Bahamas*

The newly acquired technical data from Perseverance #1 will facilitate valuable updates and refinements to basin modelling, biostratigraphy and geochemistry. In particular, the significance of the new geothermal gradient data placing the oil maturation window deeper stratigraphically has critical implications for the deeper Jurassic play that produces oil in the Eastern Gulf of Mexico from an analogous play type (and which is the current focus for several companies actively exploring in the region or in deep water Mexico). Additionally, data derived from Perseverance #1 provides a modern-day well tie to recalibrate existing 3D mapping of the Aptian intervals untested in closures and structures elsewhere in the licence areas.

As a result of this information the primary focus of the ongoing post-well evaluation work is on the deeper Jurassic pre-salt clastic, structural play and the extent to which potential multiple-target drilling locations can be optimised to access and evaluate untested shallower closures whilst testing this primary, deeper play.

Given these technical results, since announcing the outcome of the well the Company has had a number of discussions with industry counterparties in relation to a potential farm-out of the licences, and the Company has now formally launched an entirely new farm-out process via Gneiss Energy. The farm-out is seeking to introduce a funding and operating partner for the next stage of exploration activity in The Bahamas.

Concurrent with the farm-out process, the Company will seek to renew its 100 per cent interest in the Southern Licences by extending the licences in to the third exploration period. The third exploration period for the Southern Licences would last for three years and will require a further exploration well to be drilled before the period expires, failing which the licences would be forfeited (i.e., "drill or drop"). An extension of the licences will attract an annual licence fee (the amount to be determined during the renewal process) and requires a relinquishment of 50 per cent. of the licence area. Notification of renewal of the licences has been submitted to the appropriate Ministry, and the area to be relinquished has been identified as being the area equivalent to that over the shallower water depths covered by the Southern Licences (less than circa 200 feet).

As at the date of this document, applicants representing various environmental groups have been granted leave to apply (amongst other matters) for a judicial review of the Government of The Bahamas' decision to issue an Environmental Authorisation to the Company for the drilling of the already completed Perseverance #1 well. The Company has been joined as a party to that action. In order for the applicants to continue to pursue this action, the Supreme Court of The Bahamas had ordered that by 31st March 2021 the applicants were required to post the sum of \$200,000 as security for costs. Thus far, the applicants have failed to do so, albeit the applicants have asserted that they have secured access to the funds to enable them to do so,

and a process is ongoing to establish an appropriate joint account between the Company's and the applicants' legal advisers for deposit of those security funds, consistent with common practice in The Bahamas. On establishment of the joint account, if security for costs is posted by the applicants, the judicial review process will continue, but no date has been set for the substantive hearing of that review, which it is presently estimated would not occur before June / July 2021. Alternatively, if the joint account is established and the applicants nonetheless fail to post the required security, the judicial review action will be stayed.

2.3.3 Uruguay

In June 2020, following a competitive bid process, the Company was notified that it was the successful applicant for the OFF-1 offshore block in Uruguay. Subsequently, the Company has been advised by ANCAP, the Uruguayan state-owned oil and gas company, that the signing of the licence for the OFF-1 offshore block presently awaits presidential approval, which has been delayed due to the Covid-19 pandemic situation. The Company expects the formal licence execution within Q2 2021 and will thereafter commence initial desk-top and enhanced technical work. In the interim, technical work undertaken independent of the Company by ANCAP has sought to highlight exploration prospectivity across the circa 15,000 km² licence area. This involves detailed mapping of several play types and prospects, notably the syn-rift play potential within the Company's OFF-1 block. The prospect and lead screening includes the specific identification of the syn-rift Lenteja prospect with a P₅₀ estimated ultimate recovery volume (EUR) of 1.359 billion barrels and an upside case of several billion barrels recoverable (Source: ANCAP 2021), located in just 80 metres of water. This volume estimate aligns well with the earlier guidance provided by BPC of the potential within its OFF-1 licence area in excess of a billion barrels.

The Company expects near-term activities in Uruguay to be low-cost (previously indicated by the Company to be in the range of US\$200,000 per annum), and whilst there is no drilling obligation during the initial four-year exploration term, the Company will be working to reconfirm attractive volumetrics and mature a range of drillable prospects encompassing syn-rift and Guyana analogue plays from reprocessed and improved 2D seismic imaging that has revealed new exploration upside previously unable to be mapped due to poor data quality.

2.4 **New Business Opportunities**

The Company continues to screen and evaluate potential new business opportunities in line with its objectives to expand and differentiate its existing asset portfolio, with a view to creating a broader, diverse asset base and to grow production and cashflow. The Company will continue to seek opportunities that further leverage a portfolio business with a range of assets across multiple jurisdictions, a spread of operations across the industry spectrum from production to exploration, and to deliver investors a full-cycle exploration and production company centred on the Caribbean and the Atlantic margin.

3 **Forward Strategy and Corporate Changes**

As indicated in Section 2 above, following the completion of the Perseverance #1 well in The Bahamas, the Company considers that its key value drivers, and hence forward business strategy for the coming 12-18 months, will relate primarily to significantly increasing oil production and thus cashflow in its assets in Trinidad and Tobago and Suriname.

In support of this the Company is proposing various changes and actions which together comprise its Forward Strategy, and which can be summarised as follows:

- A transition of the Board and the senior management of the Company coupled with a comprehensive cost savings exercise across the Group (with a view to reducing overhead by 20 per cent. – 30 per cent. in the coming months), along with introduction of revised, aligned incentivisation arrangements for ongoing / new management and Board;
- A 'reset' of the Company and its capital base, to be implemented by way of:
 - A change of name of the Company to Challenger Energy Group PLC (the change of name of the Company being the subject of a Resolution at the EGM);

- A Share Consolidation whereby it is proposed that the Existing Ordinary Shares will be subject to a 1 for 10 consolidation resulting in New Ordinary Shares of the Company with nominal value 0.02 pence each (the Share Consolidation being the subject of a Resolution at the EGM);
- An increase to the post-Share Consolidation authorised share capital of the Company;
- The approval of a new general share issuance authority; and
- An agreed early conversion of part of the Conditional Convertible Notes currently on issue, along with a reapproval of the ability to issue shares in satisfaction of future conversions under the Conditional Convertible Note Facility, as required

(each the subject of a Resolution at the EGM); and

- A recapitalisation of the Company, seeking to raise up to, in aggregate, approximately £6.9 million of new equity by way of an Open Offer to Qualifying Shareholders (and a Placing of any Open Offer Shares not taken up).

When taken together, the various elements of the Forward Strategy represent what the Board considers to be a coordinated approach to charting a viable and value-restoring future course for the Company.

Explanatory notes in relation to the Resolutions to be put to Shareholders at the Extraordinary General Meeting are contained in Part V of this document. A notice convening an Extraordinary General Meeting of the Company to be held at IOMA House Hope Street Douglas, Isle of Man IM11AP at 11:00 a.m. on 17 May 2021 is set out at the end of this document.

Detailed below is the rationale for each of the elements of the Forward Strategy. Further information in relation to the Open Offer are included in Parts II, III and IV of this document and further details of the Resolutions to be put to the Extraordinary General Meeting of the Company are included in Section 6 of this Part I and Part V of this document, and the Notice of Extraordinary General Meeting and Form of Proxy that accompanies this document.

3.1 ***Changes to the Board and Management***

With the drilling of Perseverance #1 in The Bahamas completed, and with the near-term focus on the Company shifting toward significant growth in profitable production and thus cashflow from operations in Trinidad and Suriname (and in parallel pursuing a renewal of licences and farm-out for those licences in The Bahamas) the Board considers that it is an appropriate time for changes to be made to the Company's Board and executive management team, as follows:

- Mr Simon Potter, the Company's Chief Executive Officer since 2011, will step down from this role effective 20 May 2021 (or immediately following completion of the Open Offer and the Placing if later). Thereafter, Mr Potter will remain on the Board of the Company in the capacity of non-executive director, with a remit to provide ongoing support to the Company's executive team given Mr Potter's long history with the Company, and his deep industry knowledge and experience.
- Mr Eytan Uliel, the Company's Commercial Director since 2014, will replace Mr Potter as Chief Executive Officer of the Company effective 20 May 2021 (or immediately following completion of the Open Offer and the Placing if later, and will join the Board on, and subject to, completion of required due diligence and onboarding processes for new Company directors).
- Mr Adrian Collins, initially Chairman and then a non-executive director of the Company since 2011, has advised of his resignation from the Board, to take effect from 20 May 2021 (or immediately following completion of the Open Offer and the Placing if later).
- Mr Ross MacDonald, a non-executive director of the Company since 2012, has advised of his resignation from the Board, to take effect from such time as Mr Stephen Bizzell joins the Board of the Company (as detailed in point (e) below).
- Consistent with the broadened operating remit of the Company and the geographies in which it does business, the Chairman intends to seek to supplement the revised Board's capabilities over the coming months, as necessary with the addition of suitably qualified directors. As part of this process, Mr Stephen Bizzell, principal of Australian investment and financial advisory firm Bizzell Capital Partners, the provider and arranger of the Company's Conditional Convertible Notes

facility, has indicated his intention to join the Board of the Company (which will occur on, and subject to, completion of required due diligence and onboarding processes for new Company directors).

- (f) Therefore, assuming the above changes are completed, the Board of the Company will comprise William Schrader (Non-Executive Chairman), James Smith (Deputy Non-Executive Chairman), Simon Potter (Non-Executive Director), Stephen Bizzell (Non-Executive Director) and Eytan Uliel (CEO), with the potential for the addition of further independent Directors in the future, as may be deemed appropriate.
- (g) The various committees of the Board will be appropriately restructured to reflect the revised composition of the Board, and a further announcement will be made in this regard in due course.
- (h) Mr Benjamin Proffitt, the Company's Finance Director and Company Secretary since 2010, will step down from this role once a suitable replacement has been recruited, allowing ample time for an orderly transition of key financial and secretarial functions within the Company.
- (i) As appropriate with the ongoing level of HSE/ESG delivery, operations management, commercial impact and requirement for Government and stakeholder relations in each of the jurisdictions of operation – Trinidad and Tobago, Suriname, The Bahamas and Uruguay – the CEO will make recommendations to the Board as to the appropriate management structure, skills maintenance and staffing levels appropriate, with a view to implementing any further management and organisational changes in the coming 3-4 months.

The revised Board membership and all relevant personnel will be working in the coming months to deliver a comprehensive cost savings exercise across the Company, with a view to reducing overhead by 20 per cent. – 30 per cent., whilst at the same time ensuring a smooth and seamless transition of both the Board and executive team. As part of the cost savings exercise, it is the intention that part of the existing compensation of the Board and members of the senior management group will, for at least the next 6 months, be satisfied in shares.

3.2 **Change of Name**

From 2008 to mid-2020, the Company's only business was the various licences held by the Company in The Bahamas. In this context, the Company's name, "Bahamas Petroleum Company", was entirely appropriate.

Since mid-2020, however, the Company's operations and business strategy have expanded considerably, such that it now includes assets and operations in Trinidad and Tobago, Suriname and Uruguay, in addition to those in The Bahamas. As detailed in this document, the near-term focus of the Company has shifted toward a rapid build-up of profitable production from operations in Trinidad and Tobago and Suriname, initial technical work in Uruguay, and in parallel pursuing a farm-out (and renewal) for those licences in The Bahamas. The Company in the future may also become involved in assets and operations in other jurisdictions.

As such, the Board considers that the name of the Company, referring solely to The Bahamas, is no longer an accurate representation of the Company's overall business or strategic direction.

Accordingly, the Board is proposing to change the name of the Company to Challenger Energy Group PLC.

3.3 **A 'reset' of the Company's capital base**

The Company's current capital base is, in large part, a reflection of the last several years' focus on fundraising necessary to secure the funding needed for Perseverance #1. At present, the Company has approximately 4.85 billion shares on issue. At the same time, the Company has used up almost all of its current share issuance capacity, such that the Company has no ability to respond flexibly to opportunities to secure new assets or secure new capital. Finally, for the reasons detailed in Section 4 of this letter, in order to execute on its planned 2021 work programs, the Company requires the infusion of fresh capital.

To address these issues, the Forward Strategy includes a 'reset' of the Company's capital base by way of a Share Consolidation and then increase the post-Share Consolidation authorised share capital

of the Company, the approval of a new general share issuance authority, and a reapproval of the ability to issue shares in satisfaction of the agreed partial early conversion of Conditional Convertible Notes currently on issue and in satisfaction of future potential conversions of Conditional Convertible Notes that remain on issue or may in the future be issued under the Company's Conditional Convertible Note facility (all these matters are the subject of Resolutions at the EGM).

3.3.1 *Share Consolidation*

The Board is of the view that it would benefit the Company and Shareholders to reduce the number of Ordinary Shares on issue with a resulting adjustment in the market price of such shares. This is expected to assist in reducing the volatility in the Company's share price and enable a more consistent valuation of the Company, thus making the Company's shares more attractive to long-term institutional shareholders whilst not impacting overall liquidity.

Pursuant to the Share Consolidation it is proposed that the Existing Ordinary Shares will be subject to a 1 for 10 consolidation resulting in New Ordinary Shares of the Company with nominal value of 0.02 pence each.

Save as explained below with regard to fractional entitlements, following the Share Consolidation each Shareholder will hold such number of New Ordinary Shares as is equal to 10 per cent. of the number of Existing Ordinary Shares that he or she held immediately beforehand, with a nominal value per New Ordinary Share of 0.02 pence.

With regards to fractional entitlements, where the Share Consolidation results in any member being entitled to a fraction of a share, such fraction shall, so far as is possible, be aggregated with the fractions of New Ordinary Shares to which other members of the Company may be entitled. It is proposed that the Directors will be authorised to sell (or appoint and other person to sell) to any person, on behalf of the relevant members, all the New Ordinary Shares representing such fractions as the best price reasonably obtainable to any person and to distribute the net proceeds of sale of such New Ordinary Shares (less expenses) representing such fractions in due proportion amongst the persons entitled (except that if the amount due to a person is less than £5 the sum may be retained for the benefit of the Company).

It is proposed that the New Ordinary Shares resulting from the Share Consolidation will have exactly the same rights as those currently accruing to the Existing Ordinary Shares under the Articles, including those relating to voting and entitlement to dividends.

3.3.2 *General share issuance authority*

At the EGM Shareholders will be asked to increase the Company's authorised share capital post Share Consolidation, and thereafter to approve a temporary authority for the Company to issue up to 750,000,000 New Ordinary Shares (on a post-Share Consolidation basis). If this authority was ultimately to be used in its entirety (and assuming the consolidation of the Company's share base is approved, the Open Offer is fully taken up or any Ordinary Shares not taken up are successfully placed, and the various other actions described in this document are completed) this would represent a total potential dilution of approximately 50 per cent. of the Fully Diluted Share Capital, without the need for seeking further shareholder approval, and with such capacity to be in place until the end of 2022.

The rationale for the proposed temporary general issuance authority is directly related to the Company now embarking on a course to restore value through a strategy aimed at significantly increasing production and thus cashflow, and which will necessarily involve the need to secure fresh capital over time, and which may also include the issuance of additional Ordinary Shares to secure access to new assets or portfolios of assets complementary to this strategy. In the absence of a near term value uplift from The Bahamas, it is this activity – and the ability to execute on this activity quickly and flexibly – which the Board consider offers the best opportunity for Shareholder value restoration and creation over the coming 12-18 months.

Further, as noted in Section 3.4 below, it is intended that the implementation of revised incentivisation arrangements – considered essential to the ability of the Company to continue

to retain key existing employees and attract, retain and incentivise future employees – will be conducted under this general share issuance authority.

3.3.3 *Approval of early conversion of Conditional Convertible Notes and ratification of the amended terms of the Conditional Convertible Note facility*

In September 2019, the shareholders of BPC approved the Company entering into a £10.25 million convertible loan facility (the “Conditional Convertible Note”) with Bizzell Capital Partners Pty Ltd (an Australian based investment and investment management firm), and the terms contained within that facility. The facility has been amended and extended on several occasions, including on 26 November 2020, when the Conditional Convertible Note facility was expanded to a total of £15 million of available funding. Subsequent to this date, £3 million of Convertible Notes were drawn down.

On 15 February 2021, and as announced as that time, certain key terms of the Conditional Convertible Note facility were further amended by mutual agreement, including, amongst other matters, to reduce the conversion price of all Convertible Notes issued and to be issued under the facility from 2.5 pence to 0.8 pence per Existing Ordinary Share (this price will change to 8 pence per New Ordinary Share on completion of the Share Consolidation), and to amend the manner and timeline in which interest payments will be made. These variations were entered into with the facility provider to reflect the changed business environment of the Company, most notably the re-rating of the Company share price following the results of the Perseverance #1 well.

At that time, a further £2 million of Convertible Notes were committed on an unconditional basis, and were due for draw down and funding at the end of February 2021. As yet, however, the Company has not drawn down on these funds, pending ongoing negotiations with the provider of the Conditional Convertible Note facility in the context of the Company’s overall financial requirements and in anticipation of the Fundraising detailed in this document.

As part of the Forward Strategy, the Company and the provider of the Conditional Convertible Note have now mutually agreed further amendments to the terms of the Conditional Convertible Note facility, as follows:

- (a) Of the £3 million of Convertible Notes that have already been drawn down, £2.5 million (and all accrued interest in respect of those Convertible Notes, amounting to approximately £113,000) will be converted by the noteholders into 74,700,000 New Ordinary Shares (that is, at a conversion price equal to the Open Offer Issue Price of 3.5 pence per New Ordinary Share on a post-Share Consolidation basis / 0.35 pence per Existing Ordinary Share on a pre-Share Consolidation basis), with such conversion to occur concurrent with (and subject to) closing of the Open Offer,
- (b) The date for funding and issue of the £2 million of Convertible Notes previously committed on an unconditional basis and initially intended to be drawn / funded at the end of February 2021 has now been rescheduled to be no later than 14 June 2021 (that is, concurrent with the anticipated completion of the drilling of the Saffron #2 well, but not dependent on the completion or outcome of the Saffron #2 well), as well as now expressed to be conditional on the Fundraising having successfully secured at least £5 million,
- (c) Convertible Notes remaining on issue after the closing of the Open Offer, and those to be issued by 14 June 2021 as described above, will continue to be governed by the terms and conditions of the Conditional Convertible Note facility as amended (and with the conversion price of those Convertible Notes amended in accordance with the Share Consolidation to 8 pence per share),
- (d) The balance of the Conditional Convertible Note, under which up to a further £10 million of funding is potentially available to the Company on a conditional basis, will remain unchanged, and will be available for draw down (subject to satisfaction of conditions) until the end of July 2021 (that is, broadly speaking in line with the potential need for funding for the start of Saffron field development expenditure, in the event of success with Saffron #2), and

- (e) As indicated in Section 3.1 above, Mr Stephen Bizzell will join the Board of the Company being a right afforded under the terms of the Conditional Convertible Note facility (with such to occur on, and subject to, completion of required due diligence and onboarding processes for new Company directors).

Should the entire balance of the Conditional Convertible Note facility be drawn down by the Company (i.e., excluding the agreed early conversion of £2.5 million on Convertible Notes as described above) and assuming further that all other Convertible Notes are ultimately converted in accordance with their terms at a conversion price of 8 pence per New Ordinary Share (on a post-Share Consolidation basis), and assuming that all interest payments are settled in shares as and when due, the total number of New Ordinary Shares that would be issued to the noteholders would be up to approximately 245,000,000 as at 31 December 2023. Accordingly, at the EGM a Resolution will be put to Shareholders seeking approval to be able to issue this number of New Ordinary Shares in the operation of the facility, if required.

The Directors believe the Conditional Convertible Note facility, as amended, continues to represent a useful and flexible component of the overall package of funding sources available to meet the ongoing capital needs of the Company in the current commercial environment. Consequently, the Directors are recommending that the Shareholders approve the revised terms and authorise the issuance of New Ordinary Shares as necessary in the operation of the facility.

3.4 ***New Incentivisation Arrangements***

As the Company embarks on the above-noted process of Board and executive management transition, the Board considers it appropriate that incentive arrangements for the ongoing / future Board and management / employee team of the Company – especially those charged with executing the Company's Forward Strategy – be appropriately refreshed.

This is because the existing incentive arrangements for the Company's Board and team of executives and employees has, to-date, been entirely conditional on, and singularly linked to, the delivery of the Perseverance #1 well in The Bahamas (notwithstanding a significant expansion of the Company asset portfolio and business since mid-2020). The non-commercial result of Perseverance #1 means that, the options previously issued to the Company's current Board and team of executives and employees are substantially 'out of the money', and hence the holders of those options will for all intents and purposes receive no future benefit. This is entirely appropriate: the incentive arrangements operated as intended, such that there has been an alignment of interests between the value outcome for shareholders with that of Board / management.

However, going forward, it is imperative that the Company continues to have dedicated, competent people at work on delivering the planned work programs and executing the Company's future strategy focussed on production and cashflow growth. Equally, the Company must continue to be able to recruit, retain and incentivise high-quality personnel, whether that be existing employees, or new ones. BPC operates in a competitive global job market for skilled and talented personnel, and thus it is essential that the Company has the ability to offer fair, market-based incentive arrangements which serve to align management with the creation of shareholder value.

To ensure this, we are thus proposing to issue new options only to certain key continuing members of the Board / executive / employee group. These new options will be granted in three tranches, with new vesting and exercise conditions linked directly to delivery of production growth and shareholder value growth – that is, linked directly to and consistent with strategy.

Options currently on issue will remain on issue in accordance with their terms, but their number and the exercise price of those options will be rebased in accordance with the Share Consolidation, such that 58,900,000 options will remain in issue until expiry in accordance with their terms, with exercise prices ranging from 16 pence to 40 pence per New Ordinary Share (1.6 pence to 4 pence per Existing Ordinary Share on a pre-Share Consolidation basis) – hence for all intents and purposes, these residual options will be of virtually no value to their holders.

The new options to be allocated only to key continuing members of the Board / executive / employee group will be in various tranches, each tranche having an exercise price at a premium to the Issue

Price and that steps up further with each tranche, and certain of the tranches will have vesting criteria based on achieving production outcomes and shareholder value creation. The detailed terms and allocation of the new options will be determined by the Board following recommendation from the Remuneration Committee, and will be advised by the Company at that time.

The new options to be available for issue (now and in the future) are intended, in aggregate, to create a total pool of new incentive options available for allocation over time, and which (once fully allocated) would represent around 8.5 per cent. of the Fully Diluted Share Capital. This level of incentive ownership is consistent with that in place at several companies similar to the Company and has been benchmarked accordingly by the Board and advisors. Initially, however, the intention is that only 40 per cent. of this new pool will be allocated, with the balance retained for allocation to future recruits and to enable future incentive awards (if appropriate).

I would also note that of the intended allocation of new options, both initially and over time, only a very small proportion will be to non-executive Board members, with the vast majority of options to be allocated to, or available for future allocation amongst, key executive management and other critical employees. That is, to incentivise those people directly responsible for delivery of the future of this Company, and with their aggregate reward directly linked to building production and generating future value creation for all Shareholders.

Finally, I would note further that the implementation of these revised option arrangements will be conducted under the Company's general share issuance authority (as proposed pursuant to Resolution Four at the EGM). As such, these revised option arrangements, which as noted will be fully disclosed once allocated, do not require specific approval of Shareholders outside of the approval of the general share issuance authority. However, the allocation of the new options will likely be deemed a related party transaction in accordance with the AIM Rules for Companies, and for which a fairness opinion will be obtained as required.

3.5 **A recapitalisation via the Open Offer and the Placing**

As noted, in order to progress the Forward Strategy and pursue activities designed to increase production and cashflow, the Company requires fresh capital, which it intends to secure via an Open Offer (and a subsequent Placing of any Open Offer shares not taken up).

The Company is progressing its recapitalisation via an Open Offer because the Board considers it important to provide the Company's loyal and supportive Shareholders with the first opportunity to participate in the Fundraising and future of the Company.

Under the Open Offer, Qualifying Shareholders can subscribe for, in aggregate, up to approximately £6.9 million (before expenses) in Open Offer Shares without the Company having to produce a prospectus (in accordance with the Prospectus Rules) which would have both cost and timing implications for the Company.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising by acquiring Open Offer Shares *pro rata* to their current holdings of Existing Ordinary Shares. Qualifying Shareholders are also being given the opportunity to apply for Excess Shares through the Excess Application Facility, provided that they take up their Open Offer Entitlement in full.

Subject to the fulfilment of the conditions set out below and in Part III of this document, Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 0.35 pence per Open Offer Share (on a pre-Share Consolidation basis, which equates to 3.5 pence per New Ordinary Share on a post Share Consolidation basis), *pro rata* to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

1 Open Offer Share for every 2.46 Existing Ordinary Shares

The Open Offer Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares. Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated

form will be treated as having separate holdings for the purpose of calculating the Open Offer Entitlements.

The Issue Price represents a discount of approx. 35 per cent. to both the closing share price on 20 April 2021 and the average VWAP of the Company's shares in the 30 trading days to 20 April 2021.

To the extent the Open Offer Shares are not fully taken up under the Open Offer, the Company intends to appoint the Joint Brokers together or individually, to place any Open Offer Shares not taken up to institutional investors at the same price as the Open Offer via the Placing.

Assuming full take-up under the Open Offer (or full placing of any Open offer Shares not taken up under the Open Offer) the issue of the Open Offer Shares will raise gross proceeds of £6.9 million for the Company.

Mr Eytan Uliel (the Company's incoming Chief Executive Officer) has confirmed his intention to participate for his *pro rata* entitlement in the Open Offer in respect of any Ordinary Shares held. Certain other members of the Company's continuing Board and senior management have also confirmed their intention to participate in the Open Offer to varying extents.

Excess Application Facility

The Excess Application Facility will enable Qualifying Shareholders, to apply for Excess Shares, provided that they take up their Open Offer Entitlement in full.

Applications for Excess Shares will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part III of this document.

Overseas Shareholders

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in paragraph 6 of Part III of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this document.

Settlement and Dealings

The Open Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the New Ordinary Shares arising from the consolidation of the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective on or around 21 May 2021 and that dealings for normal settlement in the Open Offer Shares will commence on or around 8.00 a.m. on 21 May 2021.

4 Funding Information

4.1 Funding Requirements

Over the balance of 2021, the Company presently estimates that it will have a requirement for total potential funding of between US\$22.5 – US\$40 million depending on the range of activities undertaken. The higher end of this funding range (that is, approximately US\$40 million over the balance of 2021) includes up to \$20 million of drilling and business costs that represent discretionary or enhanced activity

in a success case (that is, the decision to incur these expenses is at the Company's discretion, and will depend not only on capital availability but positive technical outcomes from planned drilling activities).

The total range of activities to be considered during the balance of 2021 (based upon the level of funding available and the final estimate of costs, in respect of which certain elements are unknown at this time) is summarised as follows:

- (a) drilling and evaluation of the Saffron #2 well planned to be drilled in May / June 2021: US\$3 million capital expenditure – as noted in Section 2.2.1, the Company is projecting a successful Saffron #2 to produce in the range of 200 – 300 bopd and based on a US\$60 / bbl oil price, this well would generate cashflows to BPC of US\$1.8 – US\$2.6 million per annum, with a full well payback of 12-18 months and a ROI of in excess of 200 per cent.;
- (b) drilling an extra 5-9 production wells at the Saffron project, the decision for which will depend on the technical outcomes of the Saffron #2 well and the pace of which will depend on permitting, rig availability and capital availability: US\$12 – US\$20 million capital expenditure, of which an estimated US\$7m – US\$12 million would require capital funding, with the balance anticipated to be able to be funded from cashflow generated by the project – as noted in Section 2.2.1, this initial program of activity is projected to achieve an average daily production of 1,000 – 1,500 bopd by the end of 2021 which, based on a US\$60/bbl oil price, alone would generate annualised cashflows to BPC of US\$8 – US\$12 million going forward; the current estimated overall field development could ultimately comprise up to 30 wells in total, with a peak projected production of approximately 4,000 bopd;
- (c) the EWT project (including drilling and evaluation) at Weg Naar Zee in Suriname (as noted in Section 2.2.2) planned to be drilled in July 2021: US\$0.7 million capital expenditure;
- (d) drilling an extra 4 production wells at the WNZ project in Suriname, a decision and pace for which will depend on the technical outcomes of the initial well at WNZ and on permitting, rig availability and capital availability: US\$2 million capital expenditure – as noted in Section 2.2.2, such an initial field development is projected to produce around 100 bopd which, based on a US\$60/bbl oil price, would result in cash flows to BPC of US\$1m per annum, and with a projected full WNZ field development scenario anticipated to generate annual cash flows for the Company in excess of US\$2.5 million;
- (e) proceeding with in-fill drilling well opportunities at existing producing fields in Trinidad, the decision for which will be taken in H2 2021, and will largely be dependent on capital availability at that time: up to \$6 million capital expenditure;
- (f) completion of the seismic reinterpretation work in the SWP of Trinidad, with a view to delineating additional drillable prospects: US\$0.3 million capital expenditure;
- (g) drilling up to two exploration wells targeting discoveries from Saffron lookalike prospects by the end of 2021 based upon the results of high grading the 3D data set, and capital availability: up to \$6 million capital expenditure;
- (h) following the completion and outcome of the drilling of Perseverance #1, a final reconciliation payment to a fund managed by Lombard Odier (\$4 million) is due in June 2021, and the Company is in the process of finalising residual costs, payment terms, schedule and resolving various items in dispute relating to the drilling of Perseverance #1, which process it expects to complete in due course but is expected to amount to approximately \$14 million payable through into H2 2021, (although the Company expects to achieve a discount/reductions to this amount as a result of commercial negotiations and agreed resolutions to items in dispute and/or be able to satisfy part of this amount in the form of shares, and has assumed an aggregate 20 per cent. – 30 per cent. reduction in cash required for settlements on this basis);
- (i) realising business development opportunities to expand the portfolio based upon projected value generation (to be determined);
- (j) any incremental costs associated with renewal of the Company's licences in The Bahamas, including community programs, and ongoing legal costs as may be required to continue to successfully defend the Company's licences in the event of ongoing environmental challenges in The Bahamas (to be determined), and

- (k) corporate overhead costs up to \$4 million, although as noted previously, the Company is initiating a cost reduction exercise across its business with a view to reducing corporate overhead costs by 20 per cent. – 30 per cent..

It is the intention of the Board and management to undertake as much activity as possible but at all times remaining within the overall funding capacity of the Company. In other words, given the discretionary / success based nature of much of the Company's intended activity, capital availability will be a core determinant in the decision to proceed with particular items of work, and the timing of those decisions.

4.2 **Funding Sources**

The Company presently considers that it has sufficient financial resources available to it to meet the lower end of the above-noted required funding range (that is, approximately US\$22.5 million) through the balance of 2021. The Company's expectation in this regard includes and assumes:

- (a) cash at hand, proceeds of fee rebates described below, and expected amounts of not as yet received funds under the Conditional Convertible Note facility (approximately \$10 million);
- (b) assumed surplus income from production based on an assumed US\$60 / bbl oil price and current projected production through the balance of 2021 (including from Saffron #2) (approximately \$3 million);
- (c) the proceeds of the Open Offer (assuming full take of the Open Offer and/or a successful Placing of any Open Offer Shares not taken up) (\$9.7 million);
- (d) successful implementation of the cost cutting program being initiated across the Company, resulting in overall cost reduction in the range of 20 per cent. – 30 per cent. (approximately \$2 million); and
- (e) completion of negotiations in relation to licence renewals in The Bahamas and completion of invoicing, payment scheduling and resolution of disputes and final settlement of estimated costs associated with the completed drilling of Perseverance #1, such that the aggregate amount of cash payments required in respect of licence fees and 'close-out' of Perseverance #1 are consistent with the description in Section 4.1 above (approximately \$4.5 million).

In circumstances where current funding assumptions (as summarised above) do not materialize or do not materialize in the timeframe expected (for example if the £2 million currently expected under the Conditional Convertible Note facility is not received, or if expected surplus income from production, and/or the proceeds of the Open Offer (assuming full take of the Open Offer and/or a successful Placing of any Open Offer Shares not taken up) are not available, or the Company is unable to negotiate expected reductions in cash required for settlements as described in 4.1(h)), absent securing capital from alternative sources, the Company would not have sufficient financial resource available to undertake all of the work and meet the obligations projected in the \$22.5 million and would be required to manage cash resources accordingly.

In circumstances where the Saffron #2 well is not a success, the Company will be required to secure capital from alternative sources or the Company would be required to effect greater reductions to overheads, negotiate greater reductions in cash required for settlements as described in 4.1(h), and/or not proceed with or defer discretionary expenditure on all or some of the work as summarised in 4.1 above.

Equally, in the event of success with the Saffron #2 well in Trinidad, and/or success with the WNZ well and EWT in Suriname, the Company will need additional funding to pursue development of those projects and for general working capital purposes, presently estimated to be \$15 – \$20 million in additional funding required through the balance of 2021.

In any of the above-noted circumstances where the Company would look to secure funding by way of alternative sources to meet any funding shortfall / incremental funding needs, there can be no assurance that the Company would be successful in securing any such alternative funding.

However, the Board believe there are a wide range of potential funding sources available to the Company, and as such the Company is confident that it will be able to secure additional funding, if

and when required. In particular, those additional sources of funding that may become available to the Company, and which would increase the Company's overall financial capacity with a view to placing the Company in a position where it would have sufficient funds available to meet its requirements, including:

- Assuming the £2 million is provided in June 2021, undrawn availability under the remaining limit of the Company's Conditional Convertible Note facility, which is up to £10 million. Availability of this portion of funding under the Conditional Convertible Note facility remains conditional, primarily on the Company and the provider of the facility agreeing and documenting suitable security arrangements. In this regard, the following points are noted:
 - As described elsewhere in this document, £3 million has already been advanced to the Company under this facility (notwithstanding that security documentation has not been agreed), and of which £2.5 million will be converted into Ordinary Shares coincident with and on the same price basis as the Open Offer.
 - A further £2 million has been committed under this facility. These funds, initially scheduled to be advanced at the end of February 2021, have been rescheduled to now be due coincident on completion of, but not dependent on the results of, the drilling of Saffron #2 (and provided that the Fundraising has been completed).
 - The availability of the remainder of the facility (subject to conditionality) has been extended to the end of July 2021, to accommodate for the expected Saffron timeline, and
 - Mr. Stephen Bizzell will be joining the board of the Company in due course.

Given the foregoing, the Company considers the Conditional Convertible Note facility to be a viable and important part of its overall funding sources, and considers that a material amount of further funding could become available under the facility in the future, particularly in the event of a successful outcome with the Saffron #2 well so as to enable a rapid development of that project in particular;

- Increased income from production, whether as a result of higher levels of production or a higher oil price than the US\$60/bbl assumed in the Company's forecasting;
- Proceeds from a successful farm-out of the Company's assets in The Bahamas – as noted elsewhere in this document, the Company has engaged Gneiss Energy in relation to this process, which is underway;
- Proceeds and/or offset of costs in relation to other assets in the Company's portfolio. Specifically, the Company considers that in the event of a successful Saffron #2 well a viable alternative to development of that project at 100 per cent. would be a farm-out of that project to fund the overall development costs, and given the recently enhanced view of the prospectivity of the Company's asset in Uruguay (as detailed in Section 2.3.3 of this letter) the Company considers that a farm-in to this asset may be a viable near-term option;
- Proceeds from any asset sales, the Company noting that assets in Trinidad regularly transact, should the Company elect to consider this as an option;
- The offset of costs from any successful "drill for equity" type arrangements, and
- Proceeds from any other financial facilities that may become available to the Company in the period, such as a reserve-based lending facility and/or a production prepay facility (the Company being in active discussions with various providers of these types of facilities)

If currently anticipated funding is not available and no suitable funding from other sources is able to be secured to enable the Company to undertake the work program and meet the obligations detailed in this document, the Company would need to scale back the intended work program (which is largely discretionary in nature at the upper end of the funding requirement), and/or reschedule that work program, and/or cut overhead and operating costs to match the Company's actual capital availability, and/or further revise payment terms, amounts and schedules in relation to residual amounts to be paid to close-out Perseverance #1.

Finally, the Company notes that it has negotiated an agreed cash rebate of advisory and fundraising fees paid by the Company previously, amounting to approximately £500,000 (thus increasing the amount of cash available to the Company) and has settled a number of current corporate creditors

through the issuance of, in aggregate, 340,500,000 new Existing Ordinary Shares on a pre-Share Consolidation basis (which will become 34,050,000 New Ordinary Shares on a post Share Consolidation basis) (the “Fee Shares”). Application has been made for 149,400,000 of the Fee Shares (the First Tranche Fee Shares) to be admitted to trading on the AIM market of the London Stock Exchange and it is expected that admission will take place, and trading in the First Tranche Fee Shares will commence on or around 27 April 2021 at 08:00 a.m. The remaining 191,100,000 Fee Shares (the Second Tranche Fee Shares) will be admitted to trading on 21 May 2021 upon, and conditional on, the closing of the Open Offer and Placing. As noted, these Fee Shares will be consolidated as part of the Share Consolidation.

5 Taxation

The following statements are intended only as a general guide to the current tax position under UK and Isle of Man taxation law and practice. They relate only to certain limited aspects of the UK and Isle of Man tax position of Shareholders who are the beneficial owners of Existing Ordinary Shares and who are resident or (in the case of individuals) ordinarily resident in the UK or Isle of Man for tax purposes and who hold their shares in the Company beneficially as an investment (and not as securities to be realised in the course of a trade). The following is not, and is not intended to be, an exhaustive summary of the tax consequences of acquiring, holding and disposing of Existing Ordinary Shares or New Ordinary Shares. A Shareholder who is in any doubt as to his or her tax position or is subject to tax in any jurisdiction other than the UK or Isle of Man should consult his or her duly authorised professional adviser without delay.

The proposed Share Consolidation should constitute a reorganisation of the Company’s share capital and, for the purposes of UK taxation of chargeable gains, to the extent that you receive New Ordinary Shares under the proposed Share Consolidation, you should not be treated as making a disposal of any of your Existing Ordinary Shares or an acquisition of New Ordinary Shares. The New Ordinary Shares will be treated as the same asset as, and as having been acquired at the same time and for the same aggregate cost as, the holding of Existing Ordinary Shares from which they derive. No liability to stamp duty or stamp duty reserve tax will be incurred by a holder of Existing Ordinary Shares as a result of the proposed Share Consolidation.

6 Notice of Extraordinary General Meeting

A notice convening the Extraordinary General Meeting to be held at the Company’s registered office at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP at 11:00 a.m. on 17 May 2021 is set out at the end of this document.

In accordance with current government instructions in respect of the evolving situation regarding COVID-19 and the changing restrictions on social contact, public gatherings and non-essential travel, we request that you do not physically attend the EGM and instead you should return your form of proxy or appoint your proxy electronically (as the case may be) by the relevant time and appoint the chairman of the meeting as your proxy. As at the time of publication of this document, it is unclear what restrictions will be in place regarding public gatherings at the time of the meeting and in order to comply with current government public health instructions, it may be that gatherings of individuals are restricted in number and accordingly any Shareholder or proxy that attempts to physically attend the EGM may be refused admission.

The situation in relation to COVID-19 continues to develop and BPC is aware that the Government is looking at solutions for the impact COVID-19 is having on the ability of companies to hold meetings. BPC will continue to update Shareholders on arrangements for the Meeting through a Regulatory Information Service and BPC’s website at www.bpcplc.com. Shareholders are advised to check BPC’s website for updates.

At the Extraordinary General Meeting, the following Resolutions will be proposed:

1. As an ordinary resolution, to consolidate every ten (10) Existing Ordinary Shares into one (1) New Ordinary Share, thereby reducing the total issued share capital of the Company from approximately 4.85 billion shares to approximately 485,000,000 shares.
2. As an ordinary resolution to increase the authorised share capital of the Company to £400,000 divided into 2,000,000,000 Ordinary Shares of 0.02 pence each.
3. As a special resolution, to change the name of the Company to Challenger Energy Group PLC.

4. As a special resolution, to authorise a general share authority such that the directors may, prior to 31 December 2022, issue up to 750,000,000 New Ordinary Shares (on a post-Share Consolidation basis) without the need for further Shareholder approval (and from within which general share authority the proposed new incentive arrangements for continuing and future executives and management will be implemented).
5. As a special resolution, to ratify the amendments previously made to the Company's Conditional Convertible Note facility, to authorise the agreed early conversion of part of the Convertible Notes currently on issue, and to approve the current and future issue of New Ordinary Shares pursuant to that facility.

All of these Resolutions are proposed on an inter-conditional basis: that is, the Company is seeking to comprehensively reposition and recapitalise at the same time, and the Resolutions being proposed should thus be regarded as a "package", each alongside with and integral to the other changes being made.

Explanatory Notes for each of the Resolutions are set out in Part V of this document.

7 Action to be Taken

Extraordinary General Meeting

The Form of Proxy for use in connection with the Extraordinary General Meeting accompanies the Notice of Extraordinary General Meeting. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, as soon as possible, but in any event so as to be received by no later than 48 hours before the time appointed for the Extraordinary General Meeting. Unless the Form of Proxy is received by this date and time, it will be invalid. Alternatively, CREST members who wish to appoint a proxy or proxies via CREST may do so in accordance with the procedures set out in the Notice of Extraordinary General Meeting and the Form of Proxy.

Open Offer

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder, you will have received an Application Form which gives details of your maximum entitlement under the Open Offer. If you wish to apply for Open Offer Shares under the Open Offer, you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part III of this document and on the Application Form itself.

For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to arrive as soon as possible and in any event so as to be received no later than 11:00 a.m. on 12 May 2021.

Qualifying CREST Shareholders

If you are a Qualifying CREST Shareholder and do not hold any Ordinary Shares in certificated form, no Application Form accompanies this document and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your maximum entitlement under the Open Offer except (subject to certain exceptions) if you are an Overseas Shareholder who has a registered address in, or is a resident in or a citizen of an Excluded Territory. Applications by Qualifying CREST Shareholders for Excess Open Offer Entitlements in excess of their Open Offer Entitlements should be made in accordance with the procedures set out in Part III of this document.

For Qualifying CREST Shareholders, the relevant CREST instructions must have been settled as explained in this document by no later than 11:00 a.m. on 12 May 2021.

The procedures for application and payment are set out in Part III of this document.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

8 Further Information

Shareholders' attention is drawn to the further information as set out in Parts II to VIII of this document.

Shareholders should read and rely on the whole document and not just the summarised information set out in this letter.

9 Recommendation

The Directors consider the approval of the Resolutions to be proposed at the Extraordinary General Meeting to be in the best interests of the Company and its Shareholders as a whole and, accordingly, unanimously recommend Shareholders to vote in favour of all of the Resolutions, as they and their associated parties intend to do in respect of their beneficial holdings, which in aggregate total 135,800,000 Existing Ordinary Shares (on a pre-consolidation basis), representing approximately 2.8 per cent. of the current issued share capital.

Shareholders should be aware that if the Resolutions are not passed at the General Meeting the Open Offer and the Proposals will not proceed. If the Open Offer and the Proposals do not proceed the net proceeds of the Fundraising will not be available to the Company, in which case the Company will need to seek alternative sources of funding or seek alternative methods of realising Shareholder value. Neither of these alternatives is expected to be favourable for Shareholders given the current stage of the Company's development. The Board considers that it is therefore of the utmost importance that Shareholders vote in favour of the Resolutions to support the Open Offer.

If you are in any doubt as to the action you should take, you are recommended to seek your own independent advice. In particular, we refer you to the risk factors relating to the Group in Part II of this Circular.

Yours faithfully

Bill Schrader

Non-Executive Chairman

PART II

RISK FACTORS

An investment in the Company may not be suitable for all recipients of this document. Investors are advised to consult an independent financial adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities before making a decision to invest.

An investment in the Open Offer Shares is highly speculative and involves a high degree of risk due to the nature of the Company's position and the sector in which it operates, namely, exploration for hydrocarbons.

Before making any investment decision, prospective investors should carefully consider all the information contained in this document including, in particular, the risk factors described below and should form their own views.

In addition to the usual risks associated with an investment in a hydrocarbon exploration business, the Directors believe that, in particular and in no order of priority, the following risk factors should be considered. Other factors relate principally to an investment in the Open Offer Shares. It should be noted that this list is not exhaustive and that other risk factors may apply. Additional risks and uncertainties not currently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Group's business, financial condition and results of operations.

Risks related to the Company and its group

(a) ***Dependence on key personnel***

In common with other services and businesses in this industry sector, the Company's business is dependent on retaining the services of a number of key personnel of the appropriate calibre as the business develops. The success of the Company is and will continue to be significantly dependent on the expertise and experience of the Directors and senior management. The loss of one or more of these key personnel could have a material adverse effect on the Company.

(b) ***No profit to date***

BPC has incurred losses since its inception and it is therefore not possible to evaluate the prospects of the Company based on past performance. Since the Company intends to continue investing in the exploration licence areas, it is anticipated that the Company will continue to make losses for the immediate future. There can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its activities in the future.

(c) ***Significant competition***

The Company's competitors include major and independent oil and gas companies. The oil and gas business is highly competitive in the search for and acquisition of reserves and in the gathering and marketing of oil and gas production and in the recruitment and employment of qualified personnel. Some of the Company's competitors have significantly greater financial, technical and other resources than it and are able to devote greater resources to the development of their businesses. If the Company is unable successfully to compete, its business will suffer.

(d) ***Climate***

The climate in The Bahamas, Trinidad and Tobago, and Suriname is subtropical to tropical. There is a hurricane season from approximately July to November and parts of these countries have suffered severe hurricane damage in recent years. Storms and storm damage could limit the Company's ability to conduct exploration, development and production activities.

(e) **Foreign location of assets**

Most of the Company's producing assets are located in Trinidad and Tobago (whose laws differ materially from those in the UK), which may impede or adversely affect the ability of the Company and its Directors and management to manage its operations and protect its assets.

(f) **Foreign economic and political risk**

The Company's operations may be adversely affected by changes in foreign government policies and legislation or social instability and other factors which are not within the control of the Company, including, but not limited to: nationalization, expropriation of property without fair compensation or marketable compensation, or renegotiation or nullification of existing concessions and contracts; the imposition of specific drilling obligations and the development and abandonment of fields; changes in energy and environmental policies or the personnel administering them; changes in oil and natural gas pricing policies; the actions of national labour unions; currency fluctuations and devaluations; currency exchange controls; economic sanctions; and royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations will be conducted, as well as risks of loss due to civil strife, acts of war, terrorism, guerrilla activities and insurrections. The Company's operations may also be adversely affected by laws and policies of the foreign jurisdictions in which it operates affecting foreign trade, taxation and investment. If the Company's operations are disrupted and/or the economic integrity of its projects is threatened for unexpected reasons, its business may be harmed. Prolonged problems may threaten the commercial viability of its operations. Certain areas present a significant political and economic risk in terms of stability, political and economic uncertainty. The Company's operations are subject to various risks unique to Trinidad that could have a material adverse effect on its business, consolidated results of operations, and consolidated financial condition. At any time, the Company may be subject to governmental actions that may result in expropriation and nationalization of the Company's assets, result in confiscatory taxation or other adverse tax policies, or limit or disrupt markets, restrict payments, or limit the movement of funds. In addition, there can be no assurance that contracts, licenses, license applications or other legal arrangements will not be adversely affected by changes in governments in foreign jurisdictions, the actions of government authorities or others, or the effectiveness and enforcement of such arrangements.

In the event of a dispute arising in connection with the Company's operations in any foreign jurisdiction in which it operates, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of the UK or enforcing judgements in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's exploration, development and production activities in any foreign jurisdiction in which it operates could be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect. Acquiring interests and conducting exploration and development operations in foreign jurisdictions often require compliance with numerous and extensive procedures and formalities. These procedures and formalities may result in unexpected or lengthy delays in commencing important business activities. In some cases, failure to follow such formalities or obtain relevant evidence may call into question the validity of the entity or the actions taken. Management is unable to predict the effect of additional corporate and regulatory formalities which may be adopted in the future including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. Although political conditions in the foreign jurisdiction in which it operates are generally stable, changes may occur in its political, fiscal and legal systems, which might affect the ownership or operation of the Company's interests including, *inter alia*, changes in exchange rates, exchange control regulations, expropriation of oil and gas rights, changes in government and in legislative, fiscal and regulatory regimes. The Company's strategy has been formulated in the light of the current political and regulatory environment and likely future changes. The political and regulatory environment may change in the future and such changes may have a material adverse effect on the Company.

(g) **Labour relations**

The Company operates in various foreign jurisdictions that have large state sponsored or owned oil and gas companies that have traditionally employed unionized personnel. From time to time the unions attempt or threaten to disrupt field operations and crude oil transportation activities of their employers

which may directly or indirectly effect the operations of the Company and for which the Company has no control over. The Company believes that all of the Company's operations have, in general, good relations with their employees and contractors. However, employment is an area which has the capacity to give rise to significant legal risk, particularly because of the significant degree of legislation and other regulation. The Company also employs a number of third party contractors. Industrial action affecting the Company's projects may result in project delays or an increase in costs. Industrial action or threatened industrial action from the Company's employees or contractors may have a material adverse impact on the development of the Company's projects and the financial position and prospects of the Company.

(h) **Legal system**

Trinidad and Tobago and The Bahamas are part of the Commonwealth and thus have similar legal system to the UK. Suriname and Uruguay are jurisdictions with legal systems different to that in the UK. In each of these jurisdictions, legal systems and processes may be less developed than jurisdictions with more established economies, which may result in risks such as: (i) effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience of the judiciary and courts in such matters. In certain jurisdictions, the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the leases, licenses, permits, Lease Operating Agreements, Farmout Agreements, joint operation or venture agreements and marketing agreements, as applicable, for business. These may be susceptible to revision or cancellation, and legal redress may be uncertain or delayed. There can be no assurance that the leases, licenses, permits, Lease Operating Agreements, Farmout Agreements, joint operation or venture agreements and marketing agreements, as applicable, the applications to government or other governing bodies with respect thereto or other legal arrangements will not be adversely affected by the actions of government authorities or others, and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

(i) **Permits, licenses and leases**

Significant parts of the Company's operations require permits, licenses and leases from various governmental authorities and landowners in foreign jurisdictions in which it operates. There can be no assurance that the Company will be able to obtain all necessary permits, licenses and leases that may be required to carry out exploration and development at our projects. If the present permits, licenses and leases are terminated or withdrawn, such event could have an adverse negative effect of the Company's operations.

(j) **The Bahamas – licence renewal and licence fees**

The exploration licences held by the Company in The Bahamas are subject to renewal in to the 3rd exploration period as of end of June 2021. In relation to the grant of that renewal a number of matters pertain. In relation to licence fees, BPC remains to finalise any outstanding balance of fees payable for the 2nd exploration period with the Bahamian Government, and licence fees for the 3rd exploration period established. Depending on a variety of factors, these costs could be lower or higher.

(k) **The Bahamas – reliance on farm-out**

Forward exploration efforts in The Bahamas will be determined in part on the Company securing a farm-in partner to fund the exploration programme. The Company previously sought a farm-out of its licences in The Bahamas prior to drilling the Perseverance #1 well. Whilst there were interested parties who were in discussion with the Company on a potential farm-out, the Company was unable to secure a partner with which to drill the Perseverance #1 well. The Company has restarted a farm-out process for its licences in The Bahamas, but there can be no assurance that it will find a suitable partner to progress exploration efforts.

(l) ***The Bahamas – legal challenges by environmental groups***

Through various indirect notices to the press, but ultimately, by 10th December 2020 BPC received confirmation that, a coalition of Waterkeepers Bahamas Ltd (“WKB”) and Our Islands, Our Future (“OIOF”), purporting to represent “concerned Bahamian citizens, local businesses and local and international environmentalists”, had made an application to the Supreme Court of The Bahamas, for leave to make an application for judicial review of the decision taken by the Government of The Bahamas in February 2020 to grant Environmental Authorisation for BPC’s Perseverance #1 well. Further, the applicants also sought a stay of the Environmental Authorisation pending the outcome of any judicial review and an extension of time to make their application. In addition, the applicants also specifically sought to exclude BPC from being heard in relation to any and all of these matters. In each incidence, the Government of The Bahamas, as the respondent to each of these claims, chose to oppose each of the applications,

As at the date of this document, a number of events have taken place and judgements made, but a number of matters are still to be resolved.

Notwithstanding the various applications, the Perseverance #1 well was spud as scheduled. Whilst leave was granted for an application for a judicial review into the decision to grant Environmental Authorisation, a stay was rejected and confirmed on appeal which meant the drilling of the Perseverance #1 well continued and was completed as planned. BPC was ultimately declared a respondent in each of these matters and a claim for Security for Costs, in the amount of \$200,000, was granted to BPC. However, the main hearing as to an application for a judicial review is still to be held, along with various appeals.

It is unclear to the Company what any outcome will ultimately mean given that the specific event that was the subject of the Environmental Authorisation, for which the application for judicial review has been granted, has already occurred/been completed.

(m) ***Health, Safety, Environment and Security (“HSES”)***

The Group’s operated ventures means that the HSES risks cover a wide spectrum. These risks include major activity safety incidents; failure to comply with approved policies; effects of natural disasters (including hurricanes) and pandemics; social unrest; civil war and terrorism; exposure to general operational hazards; personal health and safety; and crime. The consequences of such risks materialising can be injuries, loss of life, environmental harm and disruption to business activities. Depending on cause and severity, the materialisation of such risks may affect the Group’s reputation, operational performance and financial position.

In addition, failure by the Group to comply with applicable legal requirements or recognised international standards may give rise to significant liabilities. HSES laws and regulations may over time become more complex and stringent or the subject of increasingly strict interpretation or enforcement. The terms of licences include requirements to comply with prevailing HSES regulatory requirements which may change over time. The obtaining of exploration, development or production licences and permits may become more difficult or be the subject of delay by reason of governmental, regional or local environmental consultation, approvals or other considerations or requirements. These factors may lead to delayed or reduced exploration, development or production activity as well as to increased costs.

(n) ***Environmental risk and insurance coverage***

There are significant exploration and operating risks associated with drilling oil and gas wells, including potential blowouts, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, and fire, all of which can result in accidental spills, leakages or discharges of harmful liquids and toxic gases. The occurrence of any of these incidents can result in substantial losses to the Group due to injury or loss of life, damage to or destruction of the Company’s oil and gas wells, pollution or other environmental damage. Damages occurring as a result of such risks can give rise to claims against the Company or a member of its Group and can result in the Company’s targets for drilling or production being delayed or halted.

Although the Company will exercise all due care and attention in the conduct of its business and will maintain what it believes to be customary insurance coverage for companies engaged in similar

operations, the Company cannot guarantee it is not fully insured against all risk in its business. The occurrence of a significant event against which the Company is not fully insured could have a material adverse effect on its operations and financial performance. In addition, in the future some or all of the Company's insurance coverage may become unavailable or prohibitively expensive.

(o) **Funding Risk**

The Company currently estimates its minimum funding requirement over balance of 2021 to be approximately US\$22.5 million, and the Company may have an ultimate funding need of up to \$40 million, if all discretionary items of work are pursued. This assumed level of funding need includes several components that are present best estimates that depend on assumption as to future events which are presently unknowable, and the quantum and timing of some potential cost items may vary considerably. Thus, the actual funding requirement may be considerably higher than the presently estimated amounts and further funds may have to be raised in order to execute the planned work program. At present, the Company has insufficient cash resources to finance its work program activity over the coming 12 months and so will be required to source the funding necessary to meet these estimated funding requirements as and when they arise.

The Company is seeking to develop a funding plan that does so in a measured way. As part of this plan, the Fundraising and the remaining balance of Conditional Convertible Note facility (if available and if fully subscribed to and drawn down), would result in total funding of approximately £17 million (approximately US\$23.5 million) which, together with existing cash holdings, surplus income expected from growing production, and the proceeds of Conditional Convertible Notes to be advanced as described in Section 3.3.3 and Section 4.2 of Part I of this document, is estimated would be sufficient to enable the Company to meet its funding needs as outlined in Sections 4.1 and 4.2 of Part I of this document.

However there remains a degree of conditionality to the proposed financing package which is dependent on the occurrence of future events outside of the control of the Company, which represents a material risk. Specifically:

- Funding from the remaining £10 million of the Conditional Convertible Note remains subject to certain conditions precedent – see below for further details on the Conditional Convertible Note facility;
- The amount raised under the Open Offer will depend on the extent to which Shareholders take up their entitlements under the Open Offer and/or the extent to which any shortfall thereunder is taken up under the Excess Application Facility or, if not taken up, or subsequently placed; and
- The Company continues to work on securing a farm-out and other potential funding sources, such as reserve-based lending facilities and prepay facilities, which if successful could materially increase the amount of capital available to the Company, which could offset all or a considerable portion of the costs in respect of the intended work program.

In circumstances where suitable funds are not raised via the Open Offer, and funds are not available under the Conditional Convertible Note facility, or if a farm-out or alternative funding sources are not secured, the Company would not have sufficient cash to complete the planned work program over the balance of 2021. In such circumstances the Company would look to secure funding by way of alternative sources. There can be no assurance, however, that the Company would be successful in securing any such alternative funding, and in such circumstances the funds raised in the Open Offer and Placing would be applied to general working capital.

(p) **Conditional Convertible Note**

The Company entered into a conditional fixed conversion price convertible note facility (the "Conditional Convertible Note" or the "Facility") on 10 October 2019 for £10.25 million which was subsequently increased to £15 million. On 15 February 2021, the Company reached an agreement with the provider of the Facility to establish revised terms for the Facility and extend this Facility, with a view to ensuring that it remains available through the course of 2021 drilling operations in Trinidad and Suriname, as summarised in Section 3.3.3 of Part I of this document.

These variations were entered into with the provider of the Facility to reflect the changed business environment of the Company, most notably the re-rating of the Company share price following the results of the Perseverance #1 well offshore The Bahamas and the revised timing of funding requirements going forward.

As part of the Forward Strategy, the Company and the provider of the Conditional Convertible Note have mutually agreed further amendments to the terms of that Facility, as described in this Section 3.3.3 of Part I of this document.

Availability of the balance of the Conditional Convertible Note facility of £10 million remains on a conditional basis, and there can be no guarantee that the Company will be able to have access to this amount. If the Company does not have access to this amount, the Company would need to seek alternative funding from other sources. In the absence of funding from alternative sources, the Company would need to scale back discretionary components of the intended work program and/or reschedule those components of the work program, and/or reduce overhead costs, and/ or seek to renegotiate payment terms in relation to various residual amounts payable by the Company in relation to Perseverance #1. There can be no assurance that the Company would be successful in securing alternative funding and/or being able to successfully undertake such activities in a manner that does not adversely impact the Company's operations and future prospects.

(q) **Working Capital**

The Company may need to raise additional funds in the future in order to develop further its development programmes and growth initiatives. Additional equity financing may be dilutive to Shareholders and could contain rights and preferences superior to those of the Open Offer Shares. Debt financing may involve restrictions on the Company's financing and operating activities. In either case, additional financing may not be available to the Company on acceptable terms. If the Company is unable to raise additional funds as needed, the scope of its operations may be reduced and or its interest in concessions diluted or expired and, as a result, the Company may be unable to fulfil its long-term expansion goals.

(r) **Foreign currency exchange rates**

As an international operator, the Company's business transactions may not be denominated in the same currencies. To the extent that the Company's business transactions are not denominated in the same currency, the Company is exposed to foreign currency exchange rate risk. In addition, holders of the Ordinary Shares are subject to foreign currency exchange rate risk to the extent that its business transactions are denominated in currencies other than the US dollar. Fluctuations in foreign currency exchange rates may adversely affect the Company's profitability. At this time, the Company does not plan actively to hedge its foreign currency exchange rate risk.

(s) **Taxation**

The Group is exposed to taxation in all jurisdictions in which it operates. The taxation regime applicable in each of those jurisdictions may change in the future with a consequent potential adverse impact on the after-tax profits available to the Company following any such changes.

Risks related to the oil and gas industry

(a) **Exploration, development and production and general operational risks**

There can be no guarantee that any hydrocarbons will be discovered in commercial quantities or developed to profitable production. If discovered, developing a hydrocarbon production field may require significant investment to build the requisite operating facilities, drilling of production wells along with implementation of advanced technologies for the extraction and exploitation of hydrocarbons with complex properties. These may result in uncertainties about the amount of future investment necessary, operating costs and additional expenses which might be incurred as compared with the initial budget. In addition, hydrocarbon deposits may not ultimately contain economically recoverable volumes of resources and even if they do, delays in the construction and commissioning of production projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required.

The exploration for and development of oil and gas resources is speculative and involves a high degree of technical risk. In particular, the operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, earthquakes, unusual or unexpected geological formations, flooding, earthquake and extended interruptions due to inclement or hazardous weather conditions (including hurricanes), explosions and other accidents. These risks and hazards could also result in damage to, or destruction of wells or production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability.

Delays in the construction and commissioning of projects or other technical difficulties may result in the Company's current or future projected target dates for production being delayed or further or additional capital expenditure being required. If the Company fails to meet its work and/or expenditure obligations, the rights granted therein may be forfeited, which could jeopardise its ability to continue operations.

(b) ***Oil Price***

Oil and gas companies' earnings, investment and development decisions and strategy are heavily affected by fluctuations in international oil prices. Both oil and gas are commodities, and as such, tend to see larger fluctuations in price than more stable investments such as stocks and bonds. There are several major influences on oil prices but most importantly the interplay of supply and demand. While oil demand tends to be slow moving, mainly driven by economic growth and to some extent climate policies, the prospects of future oil supply are highly uncertain – not least considering persistent political instability in exporting countries and the uncertainty regarding the discovery of new reserves. As a result of such uncertainties, oil prices could undergo further (increasingly) drastic fluctuations in the future which could impact the Group's projects and adversely affect the feasibility and profitability of any of its projects and therefore have an adverse effect on the Group's business, financial condition, results of operations and prospects or even decisions to invest.

(c) ***Increase in drilling costs***

The oil and gas industry historically has experienced periods of rapid cost increases. Increases in the cost of exploration and development would affect the Company's ability to invest in prospects and to purchase or hire equipment, supplies and services.

(d) ***Availability of drilling equipment and access***

Oil and natural gas exploration and development activities are dependent on the availability of drilling rigs and other equipment and services and is affected by the level and location of drilling activity around the world. An increase in drilling operations may reduce the availability of equipment and services to the Company. The reduced availability of equipment and services may delay its ability to exploit reserves and adversely affect the Company's operations and profitability.

(e) ***Third party contractors and providers of capital equipment can be scarce***

The Group may contract or lease services and capital equipment from third party providers. Such equipment and services can be scarce and may not be readily available at the times and places required. In addition, costs of third-party services and equipment may increase significantly over time. Scarcity of equipment and services and increased prices may in particular result from any significant increase in exploration and development activities on a region-by-region basis which might be driven by high demand for oil and gas. The unavailability and high costs of such services and equipment could result in a delay or restriction in the Group's projects and adversely affect the feasibility and profitability of such projects and therefore have an adverse effect on the Group's business, financial condition, results of operations and prospects.

(f) ***Estimation of reserves, resources and production profiles***

The estimation of oil and gas reserves and resources and their anticipated production profiles involves subjective judgements and determinations based on available geological, technical, contractual and economic information. They are not exact determinations. In addition, these judgments may change based on new information from production or drilling activities or changes in economic factors, as well

as from developments such as acquisitions and dispositions, new discoveries and extensions of existing fields and the application of improved recovery techniques.

(g) **Significant competition for acquisition opportunities**

There may be significant competition in some or all of the acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds, many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing an acquisition or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case.

(h) **Counterparties**

The Company has entered, and may enter, into joint venture arrangements in order to pursue its projects. Any failure by the Company's counterparties to comply with their contractual obligations (or their obligations arising under applicable laws) may have adverse consequences for the Company. Such delays or defaults or adverse pricing or other contractual terms could adversely affect the Company's business, results of operations and cash flows. The Company has, or intends to, enter into agreements with a number of contractual counterparties in relation to the sale and supply of its hydrocarbon production volumes. The Company is therefore subject to the risk of delayed payment for delivered production volumes or counterparty default. In certain cases, any member of the Company's counterparty, either legally or as a result of geographic, infrastructure or other constraints or factors, may be in practice the sole potential purchaser of such entity's production output. In such circumstances, such entity may be exposed to adverse pricing or other adverse contractual terms.

(i) **Increased pressure to reduce emissions, climate change and related regulations**

There is increasing concern about climate change and the link between global warming and carbon emissions generated directly and indirectly by oil and gas activities. Certain pressure groups wish oil and gas to be replaced with other energy sources which generate lower emissions. In the medium to long term should energy generators and consumers switch to new forms of energy, including renewables, there will be a corresponding reduction in demand for oil and gas. Market sentiment towards oil and gas companies may be negatively impacted by both government regulation and by activism reducing available capital along with demand for the Company's shares from both the public and institutions.

Many participants in the oil and gas sector are large users of energy. Various regulatory measures aimed at reducing emissions and improving energy efficiency may affect the Company's operations and acquisition opportunities. Policy developments at an international, regional, national and subnational level, including those related to the 2015 Paris Agreement and emissions trading systems, such as the Emissions Trading System of the European Union, could adversely affect the Company's profitability if projects that it invests in have material greenhouse gas-intensive and energy-intensive assets. In addition, the impact of climate change on any of the Company's potential acquisitions is uncertain and will depend on circumstances at individual operating sites. These may increase costs, reduce production levels or otherwise impact the results of operations of the Company's acquisitions. The Company expects emission costs to increase from current levels beyond 2021 and for regulations targeting reduced emissions to have a wider geographical application than today. There is continuing uncertainty over the detail of anticipated regulatory and policy developments, including the targets, mechanisms and penalties to be employed, the timeline for legislative change, the degree of global cooperation among nations and the homogeneity of the measures to be adopted across different regions. This ambiguity, in turn, creates uncertainty over the long-term implications for the Company's expected projects and operating costs and the constraints the Company may face in order to comply with any such new regulations. For example, to meet regulatory targets imposed in the future, the Company may be required to adopt new technological solutions for its assets within a limited timeframe to reduce GHG emissions, and there can be no assurance that the Company would be successful in making such adaptations.

Risks relating to the Open Offer Shares

(a) *There may be volatility in the price of the Open Offer Shares*

The Issue Price may not be indicative of the market price for the Open Offer Shares following Admission. The market price of the Open Offer Shares could be volatile and subject to significant fluctuations due to a variety of factors, including changes in sentiment in the market regarding the Company, the sector or equities generally, any regulatory changes affecting the Group's operations, variations in the Group's operating results and/or business developments of the Group and/or its competitors, the operating and share price performance of other companies in the industries and markets in which the Group operates, news reports relating to trends in the Group's markets or the wider economy and the publication of research analysts' reports regarding the Company or the sector generally.

To the extent that Shareholders do not take up the Open Offer Shares under the Open Offer, their proportionate ownership and voting interest in the Company will be reduced and the percentage that their Existing Ordinary Shares represents of the Enlarged Share Capital will be reduced accordingly. Subject to certain exceptions, Shareholders in the United States and other Excluded Territories will not be able to participate in the Open Offer.

(b) *Pre-emptive rights may not be available for US and other non-UK holders of Ordinary Shares*

In the case of an increase in the share capital of the Company for cash, the Shareholders are generally entitled to pre-emption rights pursuant to the Act unless such rights are waived by a special resolution of the Shareholders at a general meeting, or in certain circumstances stated in the Articles, and such an issue could dilute the interests of the Shareholders. To the extent that pre-emptive rights are applicable, US and certain other non-UK holders of Ordinary Shares may not be able to exercise pre-emptive rights for their shares unless the Company decides to comply with applicable local laws and regulations and, in the case of US holders, unless a registration statement under the US Securities Act is effective with respect to those rights or an exemption from the registration requirements thereunder is available. The Open Offer Shares to be issued will not be registered under the US Securities Act. Qualifying Shareholders who have a registered address, or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers about whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements or acquire Open Offer Shares.

Other risk factors

The Existing Ordinary Shares are traded on AIM rather than the main market of the London Stock Exchange. An investment in shares traded on AIM may carry a higher risk than an investment in shares listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange.

Investors should be aware that the value of the Open Offer Shares may be volatile and may go down as well as up and investors may therefore not recover their original investment, especially as the market in the Open Offer Shares on AIM may have limited liquidity.

The market price of the Open Offer Shares may not reflect the underlying value of the Company's net assets. The price at which investors may dispose of their shares in the Company may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous. Investors may realise less than the original amount invested.

The risks above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority.

The investment offered in this document may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, who is authorised under the FSMA and who or which specialises in investments of this kind before making a decision to invest.

PART III

TERMS AND CONDITIONS OF THE OPEN OFFER

Open Offer of up to 1,966,889,572 Open Offer Shares at a price of 0.35 pence per Share

1. Introduction

As explained in Part I of this document, the Company is proposing to issue up to 1,966,889,572 Open Offer Shares pursuant to the Open Offer to raise gross proceeds of up to £6.9 million.

Upon completion of the Open Offer, assuming a full take up under the Open Offer, the Open Offer Shares will represent approximately 29 per cent. of the Enlarged Share Capital. Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire Open Offer Shares at the Issue Price.

This document and, where relevant, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

2. The Open Offer

Subject to the terms and conditions set out below and, where relevant, in the Application Form, the Company hereby invites Qualifying Shareholders to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 2.46 Existing Ordinary Shares held by them and registered in their names at the close of business on the Record Date and so in proportion for any other number of Existing Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of their Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

Fractions of Open Offer Shares will not be allocated to Qualifying Shareholders and entitlements to apply for Open Offer Shares will be rounded down to the nearest whole number of Open Offer Shares.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Open Offer Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST and, if they so wish, may apply for Open Offer Shares in excess of their Open Offer Entitlement. Accordingly, applications in excess of the Open Offer Entitlements will only be satisfied to the extent that applications made by other Qualifying Shareholders are for less than their full Open Offer Entitlement and may therefore be scaled down *pro rata* to the number of Excess Shares applied for under the Open Offer, or otherwise at the absolute discretion of the Company. Any monies paid for applications in excess of their Open Offer Entitlements which are not so satisfied will be returned to the Applicant without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

Not all Shareholders will be Qualifying Shareholders. Overseas Shareholders who are located in, or who are citizens of, or have a registered address in certain overseas jurisdictions (including, without limitation, any Excluded Territory) will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including, without limitation, a custodian, nominee or trustee) who has a contractual or other legal obligation to forward this document into a jurisdiction other than the United Kingdom is drawn to paragraph 6 of this Part III.

If you have received an Application Form with this document, please refer to paragraph 4.1 and paragraphs 5 to 7 of this Part III.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 4.2 and paragraphs 5 to 7 of this Part III and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the New Ordinary Shares arising from the consolidation of the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective on or around 21 May 2021 and that dealings for normal settlement in the Open Offer Shares will commence on or around 8.00 a.m. on 21 May 2021. It is expected that the results of the Open Offer will be announced at 16.35 p.m. on 13 May 2021.

Shareholders should be aware that the Open Offer is not a rights issue. Entitlements to Open Offer Shares will neither be tradeable nor sold in the market for the benefit of Qualifying Shareholders who do not apply for them in the Open Offer.

Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this document, including in particular the important information set out in the letter from the Chairman of the Company in Part I of this document, as well as this paragraph 2 of this Part III and the Risk Factors set out in Part II of this document. Shareholders who do not participate in the Open Offer will be subject to dilution of their existing shareholdings in the Company. The material terms of the Open Offer are contained in paragraph 9 of Part III of this document.

3. Conditions of the Open Offer

The Open Offer is conditional on:

- (a) the Resolutions to be proposed at the General Meeting being passed without amendment;
- (b) the gross proceeds of the Fundraising being at least £6.9 million; and
- (c) Admission having become effective by not later than 8.00 a.m. on 21 May 2021 or such later date as the Company determines being not later than 8.00 a.m. on 1 June 2021.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable, but within 14 days, thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

4. Procedure for application and payment

Save as provided in paragraph 6 of this Part III in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your Open Offer Entitlements, including the Excess Application Facility, or you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your CREST account in respect of such entitlements.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in paragraph 4.2.6 of this Part III.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST manual for further information on the CREST procedures referred to below.

4.1 **Action to be taken if you have an Application Form in respect of your entitlement under the Open Offer**

4.1.1 *General*

Each Qualifying non-CREST Shareholder will have received an Application Form accompanying this document. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Qualifying non-CREST Shareholder's name at the close of business on the Record Date. It also shows the number of Open Offer Shares for which such relevant Qualifying non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in paragraph 2 above. Qualifying non-CREST Shareholders may also apply for less than their maximum Open Offer Entitlements.

The Excess Application Facility enables Qualifying Shareholders who have taken up their full Open Offer Entitlement to apply for Open Offer Shares in excess of their Open Offer Entitlement. Applications in excess of the Open Offer Entitlement will only be satisfied to the extent that applications made by other Qualifying Shareholders are less than their full Open Offer Entitlements and may therefore be scaled down.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

4.1.2 *Procedure for application*

Applications for Open Offer Shares (including under the Excess Application Facility) by Qualifying non-CREST Shareholders may only be made on the Application Form, which is personal to the Qualifying non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

Qualifying non-CREST Shareholders may also apply for Excess Shares in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes 3 and 4 of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in paragraph 4.1.4 of this Part III.

A Qualifying non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents.

The Application Form represents a right personal to the Qualifying non-CREST Shareholder to apply to subscribe for Open Offer Shares (including under the Excess Application Facility); it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange. Application Forms may be split up to 3.00 p.m. on 10 May 2021 but only to satisfy such *bona fide* market claims. Qualifying non-CREST Shareholders who have before the 'ex' date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares (including under the Excess Application Facility)

may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Qualifying non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part III, in the letter from the Chairman of the Company in Part I and in the Application Form) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk.

If Open Offer Shares have already been allotted to a Qualifying non-CREST Shareholder and such Qualifying non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrar, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

If you are a Qualifying non-CREST Shareholder and wish to apply for all or part of the Open Offer Shares to which you are entitled (including any application for any Excess Shares under the Excess Application Facility) you should complete and sign the Application Form in accordance with the instructions printed on it and return it, either by post or by hand (during normal business hours only) together with a pounds sterling cheque or banker's draft to the value of the Open Offer Shares applied for on the Application Form, to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as practicable and, in any event, so as to be received not later than 11.00 a.m. on 12 May 2021 after which time Application Forms will not be accepted. The cheque or banker's draft must be drawn on a United Kingdom branch of a qualifying bank or building society, as further described below. Your Application Form will not be valid unless you sign it. If you post your Application Form by first class post in the UK, or in the accompanying reply-paid envelope, you are advised to allow at least four Business Days for delivery.

4.1.3 *Payments*

Cheques must be drawn on the personal account to which you have sole or joint title to the funds. Your cheque or banker's draft should be made payable to "Link Market Services Limited re Bahamas Petroleum Company PLC Open Offer" and crossed "A/C Payee only". Payments must be made by cheque or banker's draft in pounds sterling drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies and must bear the appropriate sorting code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed on the back of the building society cheque or banker's draft the name of the account holder (which must be the same name as printed on

the Application Form) and their title to funds by stamping and endorsing the building society cheque/banker's draft to such effect. Any application or purported application may be rejected unless these requirements are fulfilled. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be credited to a non-interest-bearing account by the Receiving Agent. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the Applicant's sole risk), without payment of interest, to Applicants as soon as practicable following the lapse of the Open Offer.

The Company shall as soon as practicable following 31 May 2021 refund any payment received with respect to an application for a number of Open Offer Shares in respect of an Open Offer Entitlement which has been rejected in whole or in part by the Company.

4.1.4 *The Excess Application Facility*

The Excess Application Facility enables Qualifying Shareholders who have taken up their Open Offer Entitlement to apply for Excess Shares.

Qualifying non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Open Offer Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Open Offer Shares exceed the number of Open Offer Shares being made available to Qualifying Shareholders as a result of applications made in respect of the Excess Application Facility, resulting in a scaling back of applications, each Qualifying non-CREST Shareholder who has made a valid application for Open Offer Shares under the Excess Application Facility and from whom payment in full for such Open Offer Shares has been received in cleared funds will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for under the Excess Application Facility but not allocated to the relevant Qualifying non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

4.1.5 *Effect of application*

By completing and delivering an Application Form you (as the Applicant(s)):

- (i) agree that your application, the acceptance of your application and the contract resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (ii) confirm that in making the application you are not relying on any information or representation other than those contained in this document and the Application Form and you, accordingly, agree that no person responsible solely or jointly for this document or any part of it shall have any liability for any information or representation not contained in this document and that having had the opportunity to read this document you will be deemed to have notice of all the information concerning the Group contained within this document;

- (iii) represent and warrant that you are not citizen(s) or resident(s) of an Excluded Territory or any other jurisdiction in which the application for Open Offer Shares is prevented by law and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within an Excluded Territory or to a resident of an Excluded Territory or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (iv) represent and warrant that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis; and
- (v) will also be asked whether or not you can represent and warrant as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in an Excluded Territory, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into an Excluded Territory; (ii) you are not and were not located in an Excluded Territory at the time you accepted the Application Form or at the time you returned the Application Form; and (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside an Excluded Territory at the time he or she instructed you to submit the Application Form.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid. If you do not wish to apply for Open Offer Shares under the Open Offer you should not complete or return the Application Form.

All enquiries in connection with the Application Form should be addressed to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL. If you have any questions relating to this document, and the completion and return of the Application Form, please telephone Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.2 **Action to be taken if you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer**

4.2.1 *General*

Save as provided in paragraph 6 of this Part III in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares to which he is entitled under the Open Offer. Qualifying CREST Shareholders may also apply for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility. Further details of Excess Open Offer Entitlements can be found in paragraph 4.2.10 of this Part III.

The CREST stock account to be credited will be an account under the Participant ID and Member ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. or such later time as the Company may decide, on 26 April 2021, an Application Form will be sent out to each

Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

Qualifying CREST Shareholders who wish to apply for some or all of their entitlements to Open Offer Shares (including any applications for Excess CREST Open Offer Entitlements) should refer to the CREST Manual for further information on the CREST procedures referred to below. If you have any questions relating to the procedure for acceptance, please telephone Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

4.2.2 *Procedure for application and payment*

The Open Offer Entitlements and Excess Open Offer Entitlements will have a separate ISIN and constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Open Offer Entitlement(s) will thereafter be transferred accordingly.

4.2.3 *USE instructions*

Qualifying CREST Shareholders who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and Excess Open Offer Entitlements in CREST must send (or if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (“USE”) instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the Participant ID and Member Account ID specified below, with the number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for (subject to paragraph 4.2.10 of this Part III); and
- (ii) the creation of a CREST payment in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares or Excess Shares referred to in sub-paragraph (i) above.

4.2.4 *Content of USE instructions in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlements, which is IM00BN2RD337;
- (iii) the Participant ID of the accepting CREST member;

- (iv) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is 7RA33;
- (vi) the Member Account ID of the Receiving Agent in its capacity as a CREST receiving agent, which is 21230BAH in respect of the Open Offer Entitlements;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction, which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be on or before 11.00 a.m. on 12 May 2021; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 12 May 2021.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 12 May 2021 in order to be valid is 11.00 a.m. on that day.

4.2.5 *Contents of USE instructions in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement, which is IM00BMD6CD54;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is 7RA33;
- (vi) the Member Account ID of Receiving Agent in its capacity as a CREST receiving agent, which is 21230BAH in respect of the Excess CREST Open Offer Entitlements;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be before 11.00 a.m. on 12 May 2021; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 12 May 2021.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to their USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 12 May 2021 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that Open Offer does not become unconditional by 8.00 a.m. on 21 May 2021 or such later time and date as the Company may determine (being no later than 8.00 a.m. on 1 June 2021), the Open Offer will lapse, the Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days. The Open Offer cannot be revoked once all conditions have been satisfied.

4.2.6 *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal as are set out in the Application Form.

The holder of an Application Form who is proposing so to deposit the Open Offer Entitlements set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and Excess Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up such entitlements prior to 11.00 a.m. on 12 May 2021.

In particular, having regard to normal processing times in CREST and on the part of the Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 7 May 2021, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST is 4.30 p.m. on 6 May 2021, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and Excess Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and Excess Open Offer Entitlements prior to 11.00 a.m. on 12 May 2021.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Registrar by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 2 of the Application Form, and a declaration to the Company and the Registrar from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of an Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

4.2.7 *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 12 May 2021 will constitute a valid application under the Open Offer.

4.2.8 *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 12 May 2021. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

4.2.9 *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

4.2.10 *The Excess Application Facility*

Provided that a Qualifying CREST Shareholder chooses to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part III in relation to certain Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST. The credit of such Excess CREST Open Offer Entitlement does not in any way give Qualifying CREST Shareholders a right to the Open Offer Shares attributable to the Excess CREST Open Offer Entitlement as an Excess CREST Open Offer Entitlement is subject to scaling back in accordance with the terms of this document.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above. Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim. In such circumstances the Qualifying CREST Shareholder should contact Link Group by telephone on the number stated in Note (1) on page 6 who will arrange for the additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder. Please note that an additional USE instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed the number of Open Offer Shares being made available, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application for Excess Shares under the Excess Application Facility, and from whom payment in full for the Excess Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest, and at the Applicant's sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

4.2.11 *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (v) represent and warrant that he is not, nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vi) confirm that in making such application he is not relying on any information or representation other than those contained in this document and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof, shall have any liability for any information or representation not contained in this document and further agree that having had the opportunity to read this document he will be deemed to have had notice of all the information concerning the Group contained therein; and
- (vii) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements and Excess Open Offer Entitlements by virtue of a *bona fide* market claim.

4.2.12 *Company's discretion as to rejection and validity of applications*

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not strictly comply in all respects with the requirements as to validity set out or referred to in this paragraph 4 of this Part III;
- (ii) accept an alternative properly authenticated, dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

If you have any doubt as to the procedure for acceptance and payment you should contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.2.13 *Issue of Open Offer Shares in CREST*

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after the close of business on 12 May 2021. If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' Open Offer Entitlements with effect from Admission. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

5. Money Laundering Regulations

5.1 Holders of Application Forms

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations (the "Regulations"), the Registrar may require verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity"). The verification of identity requirements pursuant to the Regulations will apply to applications with a value of €15,000 (or its Pound Sterling equivalent) or

greater, or to one of a series of linked applications whose aggregate value exceeds that amount, and in the case of such applications verification of the identity of Applicant(s) for Open Offer Shares may be required.

If within a reasonable period of time following a request, for verification of identity, but in any event by 11.00 a.m. on 12 May 2021, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the money payable or paid in respect of the application will be returned (without interest and at the Applicant's risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 3.00 p.m. on 7 May 2021), by the person named in Box 11 on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker's draft, the Applicant should:

- (i) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker's draft;
- (ii) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please telephone Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes;
- (iii) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (iv) third party cheques may not be accepted unless covered by (i) above.

In any event, if it appears to the Receiving Agent that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

Neither the Receiving Agent, nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company, at such specified time thereafter as may be required to ensure compliance with the Regulations.

5.2 **Open Offer Entitlements and Excess Open Offer Entitlements in CREST**

If you hold your Open Offer Entitlements or Excess Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements (and Excess Open Offer Entitlements) as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken. Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to

the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

6. Overseas Shareholders

6.1 General

The distribution of this document and the Application Form and the making or acceptance of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or Application Form(s)) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to and Open Offer Entitlements and Excess Open Offer Entitlements will not be credited to a stock account in CREST of persons with registered addresses in an Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company nor any of its respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit

of Excess Open Offer Entitlements to a stock account in CREST in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III and specifically the contents of this paragraph 6.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of an Open Offer Entitlement (and/or a credit of Excess Open Offer Entitlements) to a stock account in CREST, to a member whose registered address would be in an Excluded Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 6.2 to 6.5 below.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker's drafts. The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Excluded Territory. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement and/or a credit of Excess Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 **United States**

None of the Open Offer Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have been or will be registered under the US Securities Act or the laws of any state or other jurisdiction of the United States and, therefore, the Open Offer Shares and the Open Offer Entitlements and the Excess Open Offer Entitlements may not be directly, or indirectly, offered for subscription or purchase, taken up, sold, delivered, renounced or transferred in or into the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and, subject to certain exceptions, none of this document, the Application Forms or the crediting of Open Offer Entitlements (or Excess Open Offer Entitlements) to a stock account in CREST constitutes or will constitute an offer

or an invitation to apply for an offer or an invitation to subscribe for any Open Offer Shares in the United States. Neither this document nor an Application Form will (unless an address within the United Kingdom for services of notices has been notified to the Company) be sent to, and no Open Offer Entitlements (or Excess Open Offer Entitlements) will be credited to, a stock account in CREST of any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from, or post-marked in, the United States will be deemed to be invalid and all persons subscribing for Open Offer Shares and wishing to hold such Open Offer Shares in registered form must provide an address for registration of the Open Offer Shares outside the United States.

6.3 ***Other Excluded Territories***

Due to restrictions under the securities laws of the Excluded Territories and subject to certain exemptions, Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Excluded Territories will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, re-sold, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Excluded Territory.

6.4 ***Other overseas territories***

Application Forms will be sent to Qualifying non-CREST Shareholders and an Open Offer Entitlement will be credited to the stock account in CREST of Qualifying CREST Shareholders in other overseas territories. Qualifying Shareholders in jurisdictions other than any Excluded Territory may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, if relevant, the Application Form.

Qualifying Shareholders who have registered addresses in or who are located or resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

6.5 ***Representations and warranties relating to Overseas Shareholders***

6.5.1 *Qualifying non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and/or the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within an Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis on behalf of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not subscribing for Open Offer Shares with a view to the offer, sale, re-sale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory or any territory referred to in (ii) above. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate

applicable legal or regulatory requirements; (ii) provides an address in any Excluded Territory for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this paragraph 6.5.1.

6.5.2 *Qualifying CREST Shareholders*

A CREST member who makes a valid application either on its own behalf or on behalf of one of its clients in accordance with the procedures set out in this Part III represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) neither it nor its client is within an Excluded Territory; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares; (iii) it is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) neither it nor its client is subscribing for any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory, or any territory referred to in (ii) above. The Company reserves the right to reject any USE instruction from an Excluded Territory or any territory referred to in (ii) above or by a CREST participant who is acting on a non-discretionary basis on behalf of a person located within an Excluded Territory or any territory referred to in (ii) above.

7. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

8. Further information

The attention of Shareholders is drawn to the further information set out in this document including the additional information set out in the Chairman's Letter (Part I of this document), Parts IV, V and VI of this document, and the Risk Factors set out in Part II of this document and to the terms and conditions set out on the Application Form.

PART IV

QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part IV of this document are intended to be in general terms only and, as such, you should read Part III of this document for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part IV deals with general questions relating to the Open Offer and more specific questions relating principally to the Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part III of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements or apply for Excess Shares pursuant to the Excess Application Facility. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part III of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

1. What is an open offer?

An open offer is a way for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (the open offer).

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire an aggregate of up to 1,966,889,572 Open Offer Shares at a price of 0.35 pence per Open Offer Share. If you hold Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or another Excluded Territory, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 2.46 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to apply for an Open Offer Share in respect of any fraction of an Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlement. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

The number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. Assuming that there is no Overseas Shareholder who has a registered address in, or is a resident in or a citizen of an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only), and neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

2. I hold my Existing Ordinary Shares in certificated form. How do I know whether I am able to acquire Open Offer Shares under the Open Offer?

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Excluded Territory, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares before 8.00 a.m. on 23 April 2021 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

3. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or another Excluded Territory, you have been sent an Application Form that shows:

- how many Existing Ordinary Shares you held at the close of business on 21 April 2021 (the Record Date for the Open Offer);
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to buy all your entitlement to the Open Offer Shares.

Subject to certain exceptions, if you have a registered address in the United States or one of the Excluded Territories, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker’s draft for the number of Open Offer Shares you want to apply for and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Please also see questions 4 and 10 for further help in completing the Application Form.

4. I am a Qualifying Shareholder with a registered address in the UK and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?

(a) If you want to take up all of your Open Offer Entitlement

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is sign and send the Application Form, together with your cheque or banker’s draft for the amount (as indicated in Box 8 of your Application Form), payable to “Link Market Services Limited Re: Bahamas Petroleum Company PLC Open Offer” and crossed “A/C payee only”, in the reply-paid envelope provided, by post or by hand (during normal business hours only) to Link Group to arrive by no later than 11.00 a.m. on 12 May 2021. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Third-party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and has added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted.

Full instructions are set out in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be dispatched to you by no later than 31 May 2021.

(b) If you want to take up some but not all of your Open Offer Entitlement

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 2 of your Application Form; for example, if you are entitled to take up 100 shares but you only want to take up 50 shares, then you should write '50' in Box 2.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '50') by 0.0035, which is the price in pounds of each Open Offer Share (giving you an amount of £1 in this example). You should write this amount in Box 5, rounding up to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then sign and return your Application Form together with your cheque or banker's draft for that amount, payable to "Link Market Services Limited Re: Bahamas Petroleum Company PLC Open Offer" and crossed "A/C payee only", in the reply-paid envelope provided, by post, or by hand (during normal business hours only) to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, to arrive by no later than 11.00 a.m. on 12 May 2021, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part III of this document and will be set out in the Application Form.

(c) If you want to apply for more than your Open Offer Entitlement

Provided that you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up in Box 2, which must be the number of Open Offer Shares shown in Box 7. You should then write the number of Open Offer Shares you wish to apply for under the Excess Application Facility in Box 3 and then complete Box 4 by adding together the numbers you have entered in Boxes 2 and 3.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares shown in Box 4 by 0.0035, which is the price in pounds of each Open Offer Share. You should write this amount in Box 5, rounding up to the nearest whole penny. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to Link Market Services Limited re Bahamas Petroleum Company PLC Open Offer and crossed "A/C payee only", in the reply-paid envelope provided by post or by hand (during normal business hours only) to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, to arrive by no later than 11.00 a.m. on 12 May 2021, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. As such, applications under the Excess

Application Facility may not be satisfied in full. In this event Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk either as a cheque by first class post to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn as soon as practicable.

A definitive share certificate will be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be dispatched to you by no later than 31 May 2021.

(d) ***If you do not want to take up your Open Offer Entitlement***

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are placed, as would happen under a rights issue.

5. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?

CREST members should follow the instructions set out in Part III of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to take up or apply for under their Open Offer Entitlement and their Excess CREST Open Offer Entitlement respectively and should contact their CREST member should they not receive this information.

6. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?

If you do not receive an Application Form but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire Open Offer Shares under the Open Offer. Some Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to acquire Open Offer Shares under the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 21 April 2021 and who have converted them to certificated form prior to 4.30 p.m. on 7 May 2021;
- Shareholders who bought Existing Ordinary Shares before or on 23 April 2021 and who hold such Ordinary Shares in certificated form but were not registered as the holders of those shares at the close of business on 22 April 2021; and
- certain Overseas Shareholders.

7. If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?

If you bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer, as the Existing Ordinary Shares are expected to start trading ex-entitlement on the London Stock Exchange at 8.00 a.m. on 23 April 2021.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Existing Ordinary Shares at or after 8.00 a.m. on 23 April 2021, you will not be eligible to participate in the Open Offer in respect of those Existing Ordinary Shares.

8. What if I change my mind?

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares for which you have applied.

9. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

10. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box 8 of the Application Form?

If you want to spend more than the amount set out in Box 8 you should divide the amount you want to spend by 0.0035 (being the price in pounds of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares for which you should apply. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £300 you should divide £300 by 0.0035, which comes to 85,714. Write the total number of Open Offer Shares (in this example 85,714) in Box 4. To get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (85,714) by 0.0035 and then fill in that amount rounded up to the nearest whole penny (in this example being £300), in Box 5 and on your cheque or banker's draft accordingly.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that there are no Overseas Shareholders who have registered addresses in, or are residents in or citizens of an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk either as a cheque by first class post to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn as soon as practicable.

If you want to spend less than the amount set out in Box 8, you should divide the amount you want to spend by 0.0035 (being the price, in pounds, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £300 you should divide £300 by 0.0035. You should round that down to the nearest whole number (in this example, 85,714), to give you the number of shares you want to take up. Write that number (in this example, 85,714) in Box 4. Then to get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (in this example, 85,714) by 0.0035 and then fill in that amount rounded up to the nearest whole penny (in this example being £300 in Box 5 and on your cheque or banker's draft accordingly).

11. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before or on 23 April 2021, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares on or after 23 April 2021, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

12. I hold my Existing Shares in certificated form. How do I pay?

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a UK bank or building society account in the accompanying reply-paid envelope (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. It is recommended that cheques should be drawn on a personal account of the Qualifying Shareholder who is applying for the Open Offer Shares or you may be required to supply additional documentation to satisfy Money Laundering Regulations. The funds should be made payable to "Link Market Services Limited: Bahamas Petroleum Company PLC Open Offer". In each case, the cheque should be crossed "A/C Payee only". Payments via CHAPS, BACS or electronic transfer will not be accepted.

Third-party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and has added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted.

13. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced.

14. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?

You should send your completed Application Form and monies in the accompanying reply-paid envelope (from within the United Kingdom) by post or by hand to: Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL. You should allow at least four Business Days for delivery if using first class post within the United Kingdom.

If you do not want to take up or apply for Open Offer Shares then you need take no further action.

15. I hold my Existing Ordinary Shares in certificated form. When do I have to decide whether I want to apply for Open Offer Shares?

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11.00 a.m. on 12 May 2021. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

16. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?

It is expected that the Registrar will post all new share certificates by 31 May 2021.

17. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box 6 on page 1 of the Application Form) is incorrect?

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares on or before 23 April 2021 but were not registered as the holder of those shares on the Record Date for the Open Offer (21 April 2021), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 23 April 2021.

18. Will the Open Offer affect dividends on the Existing Ordinary Shares?

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

19. What should I do if I live outside the United Kingdom?

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or another Excluded Territory are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part III of this document.

20. How do I transfer my entitlements into the CREST system?

If you are a Qualifying non-CREST Shareholder but are a CREST member and want your Open Offer Shares to be in uncertificated form, you would complete the CREST deposit form (Box 13 on page 4 of the Application Form), and ensure they are delivered to CCSS to be received by 3.00 p.m. on 7 May 2021 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this.

If you have transferred your entitlements into the CREST system, you should refer to Part III of this document for details on how to pay for the Open Offer Shares.

21. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 5 of Part III of this document)?

If you are a Qualifying non-CREST Shareholder, you do not need to follow these procedures if the value of the Open Offer Shares you are acquiring is less than €15,000 (or its pounds sterling equivalent) and if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution.

Qualifying non-CREST Shareholders should refer to paragraph 5.1 of Part III of this document and Qualifying CREST Shareholders should refer to paragraph 5.2 of Part III of this document for a fuller description of the requirements of the Money Laundering Regulations.

22. Further assistance

Should you require further assistance please call Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART V

EXPLANATORY NOTES FOR RESOLUTIONS AT THE EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting to be held at the Company's registered office at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP at 11:00 a.m. on 17 May 2021 is set out at the end of this document.

At the Extraordinary General Meeting, the following Resolutions will be proposed for consideration by Shareholders. Explanatory Notes for each of these Resolutions are set out below.

Resolution 1 – To consolidate the Ordinary Shares

The Existing Ordinary Shares of the Company have recently been trading at a market price of less than one penny, and the Company has a large number of Ordinary Shares in issue. This is largely a function of the Company's need to issue Ordinary Shares over the period since January 2019 so as to finance the drilling of the Perseverance #1 well in The Bahamas. Going forward, however, the Directors believe that the existing share capital structure is no longer appropriate, as the high number of shares in issue combined with the relatively low price per share is thought to result in excess volatility and reduced liquidity in the Company's shares. By proceeding with the Share Consolidation, the Directors anticipate that a higher price per share will improve the marketability of the Company and could increase interest from institutional investors in the UK and overseas which should improve the liquidity of the Company's shares.

As all ordinary shareholdings in the Company will be consolidated, the number of Ordinary Shares held by each Shareholder will reduce, but the proportion of the total issued Ordinary Share capital of the Company held by each Shareholder immediately before and following the Share Consolidation will, save for fractional entitlements, remain unchanged. Apart from having a different nominal value, each New Ordinary Share will carry the same rights as set out in the Company's Articles that currently attach to the Existing Ordinary Shares.

Fractional entitlements arising from the Share Consolidation will be aggregated and sold in the market for the benefit of the Company. The value of any one Shareholder's fractional entitlement will not exceed the value of one New Ordinary Share.

The Company's Articles of Association provide, in Article 43, that the Company may consolidate its share capital by way of an Ordinary Resolution. Accordingly, the following Resolution will be proposed at the EGM:

Resolution 1:

Subject to and conditional on the passage of each of resolutions 2-5, as an ordinary resolution, THAT every ten (10) of the Ordinary Shares of 0.002 pence each in the issued and unissued share capital of the Company be consolidated into one (1) Ordinary Shares of 0.02 pence each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares of 0.002 pence each in the capital of the Company as set out in the Company's articles of association for the time being.

Resolution 2 – To increase the post-Share Consolidation authorised share capital of the Company

The Company is incorporated under the Isle of Man Companies Acts 1931 to 2004. It is a requirement of these Acts that the Company has authorised a nominal share capital, putting a ceiling on the maximum capital for which the Company may issue shares. The current nominal share capital is £200,000 divided into 10,000,000,000 shares of 0.002 pence each (£0.00002). Pursuant to the Share Consolidation, this will change to 1,000,000,000 shares of 0.02 pence each (£0.0002) with the nominal share capital remaining £200,000.

Thereafter, to ensure that the Company has sufficient nominal capital to issue the New Ordinary Shares provided for under the Open Offer and under the various Resolutions (assuming their approval), your Board

considers that it would be prudent to increase the nominal share capital to £400,000 divided into 2,000,000,000 shares of 0.02 pence each (£0.0002) (following the Share Consolidation set out in Resolution 1).

The Company's Articles of Association provide, in Article 43, that the Company may increase its nominal share capital by way of an Ordinary Resolution. Accordingly, the following Resolution will be proposed at the EGM:

Resolution 2:

Subject to and conditional on the passage of each of resolutions 1 and 3-5 as an ordinary resolution, THAT, in accordance with the Companies Act 1931 and the Company's Articles of Association, the Authorised Share Capital of the Company be increased beyond its current registered capital to having a share capital of £400,000 being 2,000,000,000 Ordinary Shares of 0.02 pence each.

Resolution 3 – Change of name

Resolution 3 is a resolution to change the name of the Company to Challenger Energy Group PLC.

From 2007 to mid 2020, the Company's only business was the various licences held by the Company in The Bahamas. In this context, the Company's name, "Bahamas Petroleum Company", was entirely appropriate.

Since mid-2020, however, the Company's business has expanded considerably, such that it now includes assets and operations in Trinidad and Tobago, Suriname and Uruguay, in addition to those in The Bahamas. As detailed, the near-term focus of the Company has shifted toward a rapid build-up of profitable production from operations in Trinidad and Tobago and Suriname, initial technical work in Uruguay, and in parallel pursuing a renewal of licences and farm-out for those licences in The Bahamas. The Company in the future may also become involved in assets and operations in other jurisdictions.

As such, the Board considers that the name of the Company, referring solely to The Bahamas, to be no longer an accurate representation of the Company's overall business or strategic direction. The Companies Act 1931 provides that the Company may only change its name by way of a Special Resolution. Accordingly, the following Resolution will be proposed at the EGM:

Resolution 3:

Subject to and conditional on the passage of each of resolutions 1,2,4 and 5, as a special resolution, THAT the name of the Company be changed to Challenger Energy Group PLC.

Resolution 4 – General authority to allot shares

Resolution 4 is a general authority for the Directors to issue up to 750,000,000 New Ordinary Shares as if the pre-emption provisions contained within the Company's Articles of Association did not apply to any such allotment. If used in its entirety, and assuming full subscription under the Open Offer, the completion of the Share Consolidation, and the completion of the various other matters described in this document, this authority would represent a total dilution of approximately 50 per cent. of the Fully Diluted Share Capital, without the need for further Shareholder approval. This authority will expire on 31 December 2022.

The rationale for the proposed temporary general issuance authority is directly related to the Company now embarking on a course to restore value through a strategy focussed on rapid production and cashflow growth, which will necessarily involve the need to secure fresh capital over time, and which may also include the issuance of additional new shares to secure access to new assets or portfolios of assets. In the absence of a near term value uplift from The Bahamas, it is this activity – and the ability to execute on this activity quickly and flexibly – which the Board considers offers the best opportunity for Shareholder value creation in the Company over the coming years.

Further, as noted in Section 3.4 of Part I of this document, it is intended that the implementation of revised incentivisation arrangements – considered essential to the ability of the Company to continue to retain key existing employees and attract, retain and incentivise future employees – will be conducted under this general share issuance authority.

The Company's Articles of Association provide, in Article 6.7, that the Board may be given by virtue of a Special Resolution the power to allot shares either generally or in respect of a specific allotment such that the pre-emption provisions contained in Article 6.3 do not apply. Accordingly, the following Resolution will be proposed at the EGM:

Resolution Four:

Subject to and conditional on the passage of each of resolutions 1-3 and 5, as a special resolution, THAT the Directors be and hereby are granted the authority, pursuant to Article 6.7 of the Company's Articles of Association, to allot and issue up to a further 750,000,000 New Ordinary Shares of 0.02 pence each in the capital of the Company, as if the pre-emption provisions contained within Article 6.3 of the Company's Articles of Association did not apply to such allotment and issue, provided that such authority, unless renewed, shall expire on 31 December 2022, but shall extend to the making, before such expiry, of an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

Resolution 5 – Approval of early conversion of convertible notes and ratification of amended terms of the conditional convertible note facility

On 17 September 2019, the shareholders of BPC approved the Company entering into a £10.25 million convertible loan facility (the "Conditional Convertible Note") with Bizzell Capital Partners Pty Ltd and the terms contained within that facility, including the conversion of all drawn down amounts at a 25 per cent. premium to the price of the subsequent capital raising and open offer undertaken in November 2019, equating to a 2.5 pence per Existing Ordinary Share conversion price at that time.

On 26 November 2020, the Conditional Convertible Note facility was expanded to a total of £15 million of available funding and, subsequent to this date, £3 million of notes have been drawn down, and a further £2 million of notes have been fully committed on an unconditional basis but not yet drawn down.

On 15 February 2021, the key terms of the Conditional Convertible Note facility were amended by mutual agreement as follows:

- The conversion price of all notes issued and to be issued under the facility was amended from 2.5 pence each to 0.8 pence per Existing Ordinary Share (this price will change to 8 pence per New Ordinary Share on completion of the Share Consolidation);
- The maturity date for all notes was fixed at 31 December 2023, regardless of the date of issue of the relevant notes;
- The coupon interest (payable at 12 per cent.) will be payable periodically throughout the term of the notes, on each of 30 June 2021, 31 December 2021, 30 June 2022, 31 December 2022, 30 June 2023, and 31 December 2023 (each an "Interest Payment Date");
- On any Interest Payment Date, BPC can elect (at its sole discretion) to capitalise up to 50 per cent. of the coupon accrued on the Notes at the relevant Interest Payment Date, with any amount not capitalised to be paid in cash. Alternatively, BPC can elect to pay 100 per cent. of the coupon accrued on the Notes at the relevant Interest Payment Date in the form of BPC Ordinary Shares, to be issued at a price equivalent to 90 per cent of the volume weighted average price of BPC's shares in the 10 trading days prior to the relevant Interest Payment Date; and
- The fee payable to the provider on subscription to the notes was amended to be 6 per cent.

These variations were entered into with the facility provider to reflect the changed business environment of the Company, most notably the re-rating of the Company share price following the results of the Perseverance #1 well offshore The Bahamas and the revised timing of funding requirements going forward.

As part of the Forward Strategy, the Company and the provider of the Conditional Convertible Note have now mutually agreed further amendments to the terms of the Conditional Convertible Note facility, as follows:

- Of the £3 million of Convertible Notes that have already been drawn down, £2.5 million (and all accrued interest in respect of those Convertible Notes, amounting to approximately £113,000) will be converted by the noteholders into 74,700,000 New Ordinary Shares (that is, at a conversion price equal to the

Open Offer Issue Price of 3.5 pence per New Ordinary Share on a post-Share Consolidation basis / 0.35 pence per Existing Ordinary Share on a pre-Share Consolidation basis), with such conversion to occur concurrent with (and subject to) closing of the Open Offer;

- The date for funding and issue of the £2 million of Convertible Notes previously committed on an unconditional basis and initially intended to be drawn / funded at the end of February 2021 has now been rescheduled to be no later than 14 June 2021 (that is, concurrent with the anticipated completion of the drilling of the Saffron #2 well, but not dependent on the completion or outcome of the Saffron #2 well), as well as now expressed to be conditional on the Fundraising having successfully secured at least £5 million;
- Convertible Notes remaining on issue after the closing of the Open Offer, and those to be issued by 14 June 2021 as described above, will continue to be governed by the terms and conditions of the Conditional Convertible Note facility as amended (and with the conversion price of those Convertible Notes amended in accordance with the Share Consolidation);
- The balance of the Conditional Convertible Note, under which up to a further £10 million of funding is potentially available to the Company on a conditional basis, will remain unchanged, and will be available for draw down (with such to occur on, and subject to, satisfaction of conditions) until the end of July 2021 (that is, broadly speaking in line with the potential need for funding for the start of Saffron field development expenditure, in the event of success with Saffron #2); and
- As indicated in Section 5.2 of Part I of this document, Mr Stephen Bizzell will join the Board of the Company being a right afforded under the terms of the Conditional Convertible Note facility (subject to completion of required due diligence and onboarding processes for new Company directors).

Should the entire balance of the Conditional Convertible Note facility be drawn down by the Company (i.e. excluding the agreed early conversion of £2.5 million on Convertible Notes as described above) and assuming further that all future Convertible Notes are ultimately converted in accordance with their terms at a conversion price of 8 pence per New Ordinary Share (on a post-Share Consolidation basis), and assuming that all interest payments are settled in shares as and when due, the total number of New Ordinary Shares that would be issued to the noteholders would be up to approximately 245,000,000 as at 31 December 2023. Accordingly, at the EGM a Resolution will be put to Shareholders seeking approval to be able to issue this number of New Ordinary Shares, if required.

The Directors believe the Conditional Convertible Note facility, as amended, continues to represent a useful and flexible component of the overall package of funding sources available to meet the ongoing capital needs of the Company in the current commercial environment. Consequently, the Directors are recommending that the Shareholders approve the revised terms and authorise the issuance of New Ordinary Shares as necessary in the operation of the facility. Accordingly, the following resolution will be proposed at the EGM:

Resolution Five:

Subject to and conditional on the passage of each of resolutions 1-4, as a special resolution, THAT the conditional agreement for a £15 million convertible loan facility (the "Conditional Convertible Note Facility") as amended, with Bizzell Capital Partners Pty Ltd ("BCP"), an Australian-domiciled investment firm is approved and ratified, and that:

- (i) *the issue of approximately 74,700,000 Ordinary Shares as a result of an agreed early conversion of notes issued under the Conditional Convertible Note Facility, inclusive of accrued interest, at the Issue Price, is approved, and*
- (ii) *the issue of up to 245,000,000 Ordinary Shares on conversion of notes issued under the Conditional Convertible Note Facility or that may be issued in the future under the Convertible Note Facility, inclusive of accrued interest, at a price of 8 pence per share, is approved.*

PART VI
ADDITIONAL INFORMATION

1. Responsibility

The Directors (whose names are set out on page 6 of this document) accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Litigation

Except as relates to litigation brought by environmental activists in The Bahamas (as disclosed in this document and as previously disclose by the Company), no member of the Group is or has been involved in any governmental, legal or arbitration proceedings and the Company is not aware of any such proceedings pending or threatened by or against the Group during the 12 months preceding the date of this document which may have or have had in the recent past a significant effect on the financial position or profitability of the Group.

3. No significant change

Other than as relates to the drilling of Perseverance #1, there has been no significant change in the trading or financial position of the Group since the date to which the last interim accounts of the Group were published.

4. Availability of document

This document will be available for a period of twelve months from the date of this document on the Company's website <http://www.bpcplc.com> free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

PART VII

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

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| “Act” | the Isle of Man Companies Acts 1931-2004 (as amended) |
| “Admission” | the admission to trading on AIM of the New Ordinary Shares taking place in accordance with the AIM Rules for Companies |
| “AIM” | the market of that name operated by the London Stock Exchange |
| “AIM Rules for Companies” | the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange |
| “AIM Rules for Nominated Advisers” | the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange |
| “Applicant” | a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form under the Open Offer |
| “Application Form” | the application form which accompanies this document for Qualifying non-CREST Shareholders for use in connection with the Open Offer |
| “Articles” | the existing articles of association of the Company as at the date of this document |
| “Bahamas” or “The Bahamas” | The Commonwealth of The Bahamas |
| “Board” | the board of directors of the Company from time to time |
| “Business Day” | any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading |
| “CCSS” | the CREST courier and sorting service, established by Euroclear to facilitate, <i>inter alia</i> , the deposit and withdrawal of certified securities |
| “Certificated” or “Certificated form” | not in Uncertificated form |
| “Challenger Energy Group PLC” | the proposed new name of the Company |
| “Change of Name” | the proposed change of name of the Company to Challenger Energy Group PLC |
| “Closing Price” | the closing price middle market quotation of an Ordinary Share as derived from the Aim Appendix to the Daily Official List of the London Stock Exchange |
| “Columbus” or “Columbus Energy” | Columbus Energy Resources PLC |
| “Company” or “BPC” | Bahamas Petroleum Company PLC |
| “Conditional Convertible Note” | the facility in relation to a conditional convertible loan investment of up to £15 million in BPC, as described in Section 3.3.3 of Part I of this document |

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| “CREST” | the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations |
| “CREST member” | a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations) |
| “CREST participant” | a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations) |
| “CREST payment” | shall have the meaning given in the CREST Manual issued by Euroclear |
| “CREST Regulations” | the Uncertificated Securities Regulations 2001, as amended |
| “CREST sponsor” | a CREST participant admitted to CREST as a CREST sponsor |
| “CREST sponsored member” | a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members) |
| “Directors” | the directors of the Company at the date of this document whose names are set out on page 6 of this document |
| “Disclosure and Transparency Rules” | the disclosure and transparency rules issued by the FCA acting as the competent authority for the purposes of Part VI of FSMA |
| “EGM” | the Company’s Extraordinary General meeting to be held at 11:00am on 17 May 2021, notice of which is set out at the end of this document |
| “Enabled for settlement” | in relation to Open Offer Entitlements or Excess Open Offer Entitlements, enabled for the limited purpose of settlement of claim transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear) |
| “Enlarged Share Capital” | the 789,250,934 Ordinary Shares in issue on Admission, comprising the Existing Ordinary Shares (as consolidated) and the Open Offer Shares |
| “EU” | European Union |
| “Euroclear” | or Euroclear UK & Ireland Limited, the operator of CREST |
| “Excess Application Facility” | the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlements |
| “Excess CREST Open Offer Entitlements” | in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to that Shareholder’s stock account in CREST, pursuant to the Excess Application Facility, which is conditional on the Shareholder taking up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document |
| “Excess Open Offer Entitlement” | an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to that Shareholder’s Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on the Shareholder taking up their Open Offer |

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| | Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document |
| “Excess Shares” | Open Offer Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility |
| “Excluded Territories” | the United States, Australia, Canada, Japan, the Republic of South Africa, the Republic of Ireland and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations |
| “Existing Issued Share Capital” | the 4,838,548,349 Existing Ordinary Shares of 0.002 each in issue as at the date of this document |
| “Existing Ordinary Shares” | Ordinary Shares of 0.002 pence each in the capital of the Company |
| “Extraordinary General Meeting” | the EGM |
| “FCA” | the Financial Conduct Authority of the United Kingdom |
| “FCA Rules” | the rules for financial services firms published by the FCA |
| “Form of Proxy” or “Proxy Form” | the form of proxy accompanying this document for use by shareholders in connection with the Extraordinary General Meeting |
| “Forward Strategy” | the package of corporate actions, including the Open Offer, the Placing, the Share Consolidation, the Change of Name, New Incentive Arrangements and the Resolutions, all as described in this document |
| “Fully Diluted Share Capital” | the fully diluted share capital of the Company, assuming the Open Offer, the Placing, the Share Consolidation, the restructure of the Conditional Convertible Note and issuance of Ordinary Shares thereunder, and the issuance of the Fees Shares |
| “Fundraising” | together, the Open Offer and the Placing |
| “FSMA” | the Financial Services and Markets Act 2000 (as amended) |
| “Gneiss Energy” | Gneiss Energy Limited, Financial Adviser and Placing Agent to the Company |
| “Group” | the Company and its subsidiary undertakings |
| “Investec” | Investec Bank PLC |
| “ISIN” | International Securities Identification Number |
| “Issue Price” | 0.35 pence per Open Offer Share |
| “Joint Brokers” | together, and for the purposes of the Fundraising, Shore Capital and Investec (each a “Joint Broker”) |
| “Latest Practicable Date” | 21 April 2021, being the latest practicable date for the inclusion of information in this document prior to its publication |
| “London Stock Exchange” | London Stock Exchange PLC |
| “Member Account ID” | the identification code or number attached to any member account in CREST |

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| “Money Laundering Regulations” | the Money Laundering Regulations 2017 (as amended) |
| “New Ordinary Shares” | the Ordinary Shares of 0.02 pence each following the Share Consolidation |
| “Non-United Kingdom Shareholder” | a Shareholder who is not resident in the United Kingdom or who is a citizen, resident or national of a country other than the United Kingdom. For the avoidance of doubt, a Shareholder who is resident in the Channel Islands or the Isle of Man |
| “Official List” | the Official List of the UK Listing Authority |
| “Open Offer” | the invitation to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms of and subject to the conditions set out or referred to in Part III of this document and, where relevant, in the Application Form |
| “Open Offer Entitlement” | the <i>pro rata</i> basic entitlement for Qualifying Shareholders to apply to subscribe for 1 Open Offer Share for every 2.46 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer |
| “Open Offer Shares” | up to 1,966,889,572 Existing Ordinary Shares (pre-Share Consolidation) being made available to Qualifying Shareholders pursuant to the Open Offer and Excess Application Facility, which will be consolidated into 196,688,957 New Ordinary Shares pursuant to the Share Consolidation |
| “Overseas Shareholders” | Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the United Kingdom |
| “Participant ID” | the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant |
| “Placing” | the proposed placing of any New Ordinary Shares not taken up under the Open Offer |
| “Placing Agent” | for the purposes of the Fundraising, Gneiss Energy |
| “Prospectus Rules” | the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market |
| “Qualifying CREST Shareholders” | Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in CREST form |
| “Qualifying non-CREST Shareholders” | Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in certificated form |
| “Qualifying Shareholders” | holders of Existing Ordinary Shares (other than treasury shares) on the Company’s register of members at the Record Date (other than certain Overseas Shareholders) |
| “Receiving Agent” | Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL |
| “Record Date” | close of business on 21 April 2021 |

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| “Registrar” | Link Market Services (IOM) Limited, Clinch’s House, Lord Street, Douglas, Isle of Man IM99 1RZ |
| “Resolutions” | the various resolutions to be proposed as special resolutions at the EGM |
| “Restricted Jurisdiction” | each and any of the United States, Canada, Japan, Australia the Republic of Ireland and the Republic of South Africa |
| “RIS” | a Regulatory Information Service, which has the meaning given to it in the AIM Rules for Companies |
| “Share Consolidation” | the proposed consolidation of the share capital of the Company on the basis of every ten (10) Existing Ordinary Shares being converted into one (1) New Ordinary Share of 0.02 pence |
| “Shareholders” | holders of Existing Ordinary Shares |
| “Shore Capital” | Shore Capital Stockbrokers Limited, a broker for the Company for the purposes of the AIM Rules |
| “Stock account” | an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited |
| “Strand Hanson” | Strand Hanson Limited, Nominated Adviser to the Company |
| “Subsidiary” | subsidiary company as that term is defined in the Isle of Man Companies Act 1974 |
| “Trinidad” or “T&T” | Trinidad and Tobago |
| “UK” or “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland |
| “UK Listing Authority” | the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA |
| “US” or “United States” | the United States of America, its territories, possession, any State of the United States of America and the District of Columbia |
| “Uncertificated” or “Uncertificated form” | recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST |

PART VIII

NOTICE OF EXTRAORDINARY GENERAL MEETING

BAHAMAS PETROLEUM COMPANY PLC

(Incorporated in the Isle of Man under the Companies Acts 1931-2004 and with Company Number 123863C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Approval of consolidation of shares

Approval of increase in authorised share capital

Approval of change of name of the Company

Approval of general share issuance authority

Approval and ratification of Convertible Loan Note facility as amended, including issuance of shares pursuant to that facility, as may be required

Notice is hereby given that an Extraordinary General Meeting (Meeting) of Bahamas Petroleum Company PLC (Company) will be held at the Company's registered office at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP at 11.00 a.m. on 17 May 2021, for the purpose of considering and, if thought fit, passing the following resolutions ("Resolutions"):

Resolution One: *Subject to and conditional on the passage of each of resolutions 2-5, as an ordinary resolution, THAT every ten (10) of the Ordinary Shares of 0.002 pence each in the issued and unissued share capital of the Company be consolidated into one (1) Ordinary Shares of 0.02 pence each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares of 0.002 pence each in the capital of the Company as set out in the Company's articles of association for the time being.*

Resolution Two: *Subject to and conditional on the passage of each of resolutions 1 and 3-5, as an ordinary resolution, THAT, in accordance with the Companies Act 1931 and the Company's Articles of Association, the Authorised Share Capital of the Company be increased beyond its current registered capital to having a share capital of £400,000 being 2,000,000,000 Ordinary Shares of 0.02 pence each*

Resolution Three: *Subject to and conditional on the passage of each of resolutions 1,2,4 and 5, as a special resolution, THAT the name of the Company be changed to Challenger Energy Group PLC.*

Resolution Four: *Subject to and conditional on the passage of each of resolutions 1-3 and 5, as a special resolution, THAT the Directors be and hereby are granted the authority, pursuant to Article 6.7 of the Company's Articles of Association, to allot and issue up to a further 750,000,000 New Ordinary Shares of 0.02 pence each in the capital of the Company, as if the pre-emption provisions contained within Article 6.3 of the Company's Articles of Association did not apply to such allotment and issue, provided that such authority, unless renewed, shall expire on 31 December 2022, but shall extend to the making, before such expiry, of an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired.*

Resolution Five: *Subject to and conditional on the passage of each of resolutions 1-4, as a special resolution, THAT the conditional agreement for a £15 million convertible loan facility (the "Conditional Convertible Note Facility") as amended, with Bizzell Capital Partners*

Pty Ltd (“BCP”), an Australian-domiciled investment firm is approved and ratified, and that:

- a. the issue of approximately 74,700,000 Ordinary Shares as a result of an agreed early conversion of notes issued under the Conditional Convertible Note Facility, inclusive of accrued interest, at the Issue Price, is approved, and*
- b. the issue of up to 245,000,000 Ordinary Shares on conversion of notes issued under the Conditional Convertible Note Facility or that may be issued in the future under the Convertible Note Facility, inclusive of accrued interest, at a price of 8 pence per share, is approved.*

Dated 24 April 2021

BY ORDER OF THE BOARD

Benjamin Proffitt
Company Secretary

Registered office:

IOMA House, Hope Street
Douglas, Isle of Man, IM1 1AP

Notes:

- (1) A member entitled to attend and vote at the Extraordinary General Meeting may appoint one or more proxies to attend and (on a poll) vote instead of him. A proxy need not be a member of the Company. Note the current restrictions in relation to COVID-19 when completing your proxy and the request to appoint the chairman of the meeting.
- (2) A Form of Proxy is provided with this Notice of Extraordinary General Meeting. Completion and return the Form of Proxy will not prevent a member from attending the Extraordinary General Meeting and voting in person.
- (3) To be effective, the Form of Proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be deposited with the Registrars Link Market Services (IOM) Limited, not less than 48 hours before the time of the holding of the Extraordinary General Meeting or any adjournment thereof.
- (4) In the case of joint holders, the vote of the senior who attends to vote, whether in person or by proxy, will be accepted to the exclusion of votes of the joint holders. For this purpose, seniority is determined by the order in which the names stand in the register of members.
- (5) If you have any questions relating to return of the Form of Proxy, please telephone the Company's registrars on 0371 664 0300. If you are outside the United Kingdom, please call +44 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals described in this circular nor give any financial, legal or tax advice.
- (6) Every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote), shall on a show of hands have one vote and on a poll every member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for each share of which he is the holder. A special resolution is passed either (i) on a show of hands by a majority of not less than 75 per cent. of the votes cast by such members as are present and eligible to vote at the relevant meeting; or (ii) on a poll of members of the Company by a majority of not less than 75 per cent. of the votes cast by members present and eligible to vote at the meeting.
- (7) Pursuant to Regulation 22(1) of the Uncertificated Securities Regulations 2005 of the Isle of Man (SD No. 754/05), the Company has specified that only those members registered on the register of members of the Company at close of business on 15 May 2021 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- (8) Where a corporation is to be represented at the Extraordinary General Meeting by a personal representative, such personal representative must, if requested, provide a certified copy of the resolution of its directors or other governing body authorising the appointment of the representative before being permitted to exercise any power on behalf of the corporation, and the Company has determined that for these purposes such copy of the resolution must be deposited at the Company's registered office address not later than 48 hours before the time appointed for the Extraordinary General Meeting (excluding any part of a day that is not a working day).
- (9) If the Chairman of the Extraordinary General Meeting, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the UK Financial Conduct Authority (“FCA”). As a result any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Services Authority.

- (10) As at 21 April 2021, being the last practicable date prior to the printing of this Notice of Extraordinary General Meeting, the Company's issued share capital consisted of 4,838,548,349 Ordinary Shares carrying one vote each. Therefore, the total number of voting rights in the Company as at 21 April 2021 is 4,838,548,349.
- (11) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM (and any adjournment of the EGM) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (12) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11:00 a.m. on 15 May 2021. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (13) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred, in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

