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If you have sold or otherwise transferred all of your registered holding of Existing Ordinary Shares before the Record Date, please forward this document, together with the accompanying Application Form (having completed Box J on the Application Form), at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. 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. If your Existing Ordinary Shares which were sold or transferred were held in uncertificated form and were sold or transferred before that date, a claim transaction will automatically be generated by Euroclear which, where the purchaser or transferee is a Eligible CREST Shareholder, on settlement, will transfer the appropriate number of Open Offer Entitlements to the purchaser or transferee.

The total consideration under the Placing and Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate. Therefore, in accordance with section 85 and Schedule 11A of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules published by the Financial Conduct Authority and has not been approved by the Financial Conduct Authority or any other authority or regulatory body. Furthermore, as the total consideration under the Placing and Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate, in accordance with Regulation 8(h) of the Irish Regulations, this document is not, and is not required to be a prospectus for the purposes of the Irish Regulations and has not been approved by the Central Bank of Ireland. In addition, as the total consideration under the Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate, in accordance with Article L. 411-2 of the French Monetary Code (*Code monétaire et financier*) and Article 2-112 2° of the French Regulations, this document is not, and is not required to be, a prospectus for the provisions of the French Regulations and has not been approved by the Autorité des Marchés Financiers. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules. A copy of this document has not been, nor will it be, delivered to the Registrar of Companies in Jersey, the Jersey Financial Services Commission (JFSC) or any other regulatory authority in any jurisdiction.

The Company is established in Jersey as an unregulated exchange-listed fund for the purposes of the Collective Investment Funds (Unregulated Funds) (Jersey) Order 2008. This unregulated exchange-listed fund is not regulated in Jersey. The JFSC has neither evaluated nor approved (a) the scheme or arrangement of the fund; (b) the parties involved in the promotion, management or administration of the fund; or (c) this document. The JFSC has no ongoing responsibility to monitor the performance of the fund, to supervise the management of the fund or to protect the interests of investors in the fund. The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of Ordinary Shares. It must be distinctly understood that, in giving these consents, neither the Registrar of Companies in Jersey nor the JFSC takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it. If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial advisor.

The Existing Ordinary Shares are admitted to trading on AIM. The Ordinary Shares have been suspended from trading on AIM since 19 May 2015. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission of the New Ordinary Shares will become effective by 8.00 a.m. on 10 July 2015 (such date being subject to extension as required, up to 31 July 2015). The Placing and Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. Accordingly, you may continue to hold Ordinary Shares which are suspended from trading on AIM until the Restoration of Trading is effected. Whilst the Company intends the measures set out in this document to improve the settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration.

AIM is a market designed primarily for emerging and 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 United Kingdom 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. Neither the London Stock Exchange nor the United Kingdom Listing Authority have examined, approved or otherwise authorised the contents of this document. This document does not constitute a recommendation regarding securities of the Company.



NEW WORLD OIL AND GAS PLC
(incorporated in Jersey with registration number 105517)

**Placing and Open Offer of up to 3,888,873,028 New Ordinary Shares at a price of
0.09 pence per New Ordinary Share**

on the basis of:

5.534 Open Offer Shares for each Existing Ordinary Share

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and to the section headed “Risk Factors” in Part 2 of this document.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 6 July, 2015. The procedure for acceptance and payment is set out in Part 3 of this document and, where relevant, in the Application Form. The New Ordinary Shares to be issued will, following their issue, rank *pari passu* with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the Ordinary Share capital of the Company.

This document does not constitute an offer to sell, or a solicitation to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The distribution of this document and/or any accompanying documents and/or the transfer of Open Offer Entitlements in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution or failure to comply with those restrictions could result in a violation of the law of such jurisdictions. In particular, subject to certain limited exemptions, this document is not for distribution into the United States, Canada, the Republic of South Africa, Australia or Japan, or any other jurisdiction where to do so would be in breach of any applicable law and/or regulation. Neither the Existing Ordinary Shares, the New Ordinary Shares or the Open Offer Entitlements, have been, nor will they be, registered under the securities legislation of the United States, any province or territory of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. Accordingly, the Open Offer Shares may not, subject to certain exemptions, be offered or sold directly or indirectly in or into (and no Application Form will be posted to and no Open Offer Entitlements will be credited to the stock account of any person in) the United States, Canada, Australia, the Republic of South Africa or Japan, or any other jurisdiction outside the UK, Jersey, the Republic of Ireland or France or to any national, citizen or resident of the United States, Canada, Australia, the Republic of South Africa or Japan or any other jurisdiction outside the UK, Jersey, the Republic of Ireland or France. No action has been taken by the Company, the holders of Ordinary Shares, Beaumont Cornish Limited or Cornhill Capital Limited that would permit a public offer of Open Offer Shares or Open Offer Entitlements or possession or distribution of this document where action for that purpose is required. The Company has received pre-emption waivers in respect of the Open Offer from certain of the Eligible Shareholders resident outside the UK, Jersey, the Republic of Ireland or France. Accordingly, subject to any relevant exemptions, this document is not being sent to any Eligible Shareholders outside such jurisdictions. The attention of Overseas Shareholders, Overseas Beneficiaries and other recipients of this document who are residents or citizens of any country other than the United Kingdom or Jersey is drawn to the section entitled "Overseas Shareholders" at paragraph 7 of Part 3 of this document.

Beaumont Cornish Limited, which is a member of the London Stock Exchange and is authorised and regulated by the Financial Conduct Authority, is acting as Nominated Adviser to the Company in connection with the Placing and Open Offer and is not acting for any other person and will not be responsible to any person other than the Company for providing the protections afforded to clients of Beaumont Cornish Limited.

Beaumont Cornish Limited has not authorised the contents of this document and no representation or warranty, express or implied, is made by Beaumont Cornish Limited as to the accuracy or contents of this document or the opinions contained therein, without limiting the statutory rights of any person to whom this document is issued. The information contained in this document 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 by Beaumont Cornish Limited in relation to them.

Cornhill Capital Limited, which is a member of the London Stock Exchange and is authorised and regulated by the Financial Conduct Authority, is acting as Placing Agent and Broker to the Company in connection with the Placing and Open Offer and is not acting for any other person and will not be responsible to any person other than the Company for providing the protections afforded to clients of Cornhill Capital Limited.

Cornhill Capital Limited has not authorised the contents of this document and no representation or warranty, express or implied, is made by Cornhill Capital Limited as to the accuracy or contents of this document or the opinions contained therein, without limiting the statutory rights of any person to whom this document is issued. The information contained in this document 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 by Cornhill Capital Limited in relation to them.

No person has been authorised to give any information or make any representations in connection with the Open Offer other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this document will not, under any circumstances, be deemed to create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct at any time subsequent to its date.

Information for US Shareholders

This Placing and Open Offer is made for the securities of a foreign company. The offer is subject to the disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the Company is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue the foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

Forward-Looking Statements

This document contains forward-looking statements relating to the Company's future prospects, developments and strategies, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. All statements, other than statements of historical facts, contained in this document, including statements regarding the Group's future financial position, business strategy and plans, business model and approach and objectives of management for future operations, are forward-looking statements. These forward-looking statements are subject to, amongst other things, the risk factors described in Part 2 of this document. The Directors believe that the expectations reflected in these statements are based on reasonable grounds, but may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Generally, the forward-looking statements in this document use words like "anticipate", "believe", "could", "envisage", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" or the negative of those, variations or comparable expressions or similar terms, including references to assumptions. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Group which are described throughout this document, including in Part 2. Investors are urged to read this entire document carefully before making an investment decision. The forward-looking statements in this document are based on the relevant Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

It should be noted that the risk factors listed in Part 2 of this document are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Group is or may be exposed or all those associated with an investment in the Company. In particular, the Group's performance is likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates and holds its major assets. There may be additional risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect upon the Group.

If any of the risks referred to above crystallise, the Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

Eligible Shareholders

Eligible Non-CREST Shareholders will find an Application Form enclosed with this document. Eligible CREST Shareholders (none of whom will 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 12 June 2015. Applications under the Open Offer may only be made by the Eligible 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" the entitlement by the London Stock Exchange. If the Open Offer is for any reason not enabled by 3.00 p.m. or such later time as the Company may decide on 12 June 2015, an Application Form will be sent to each Eligible CREST Shareholder in substitution for the Open Offer Entitlements credited to his stock account in CREST. Eligible 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.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for Open Offer	Close of business on 5 June 2015
Publication and despatch of this document and Application Form	11 June 2015
Expected ex-entitlement date for Open Offer	11 June 2015
Open Offer Entitlements credited to stock accounts in CREST for Eligible CREST Shareholders	12 June 2015
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 30 June 2015
Latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 1 July 2015
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims)	3.00 p.m. on 2 July 2015
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 6 July 2015
Expected date of announcement of results of the Placing and Open Offer	7 July 2015
Admission of the New Ordinary Shares to AIM (See Note 3)	8.00 a.m. on 10 July 2015
CREST member accounts expected to be credited with the New Ordinary Shares in uncertificated form (See Note 4)	10 July 2015
Despatch of definitive share certificates in respect of the New Ordinary Shares in certificated form (See Note 4)	by 24 July 2015

Notes:

- (1) References to times in the document are to London time (unless otherwise stated).
- (2) Each of the dates and times in the above timetable is subject to change at the absolute discretion of the Company. If any of the details should change, where the Board considers appropriate, the revised times and/or dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
- (3) The date of Admission may be extended to such date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015. Completion of the Placing and Open Offer is not conditional on the Restoration of Trading becoming effective.
- (4) Date to be adjusted as required.

SHARE CAPITAL AND PLACING AND OPEN OFFER STATISTICS

Number of Existing Ordinary Shares	702,723,713
Number of Open Offer Shares available under the Open Offer	3,888,873,028
Number of Clawback Shares in respect of which Placing Commitments have been received subject to the conditions of the Placing and Open Offer	3,888,873,028
Enlarged Share Capital following the Placing and Open Offer ⁽¹⁾	4,591,596,741
Issue Price of the Open Offer Shares and Clawback Shares	0.09 pence
Issue Price discount to the middle market closing price on 18 May 2015 (the last closing price before the Suspension)	65.4 per cent.
Market capitalisation of the Company following the Placing and Open Offer at the Issue Price ⁽¹⁾	£4.1 million
Approximate percentage of the Enlarged Share Capital represented by the New Ordinary Shares ⁽¹⁾	84.7 per cent.
Gross proceeds of the Placing and Open Offer ⁽¹⁾	£3.5 million
Estimated net proceeds of the Placing and Open Offer ⁽¹⁾	£2.8 million
ISIN of the Ordinary Shares	JE00B65FK239
ISIN of the Open Offer Entitlements	JE00BYMT3S13

Notes:

- (1) Assumes the maximum number of New Ordinary Shares under the Placing and Open Offer are allotted, no cash box placing as referred to in paragraph 5 of Part 1 of this document and no allotment of Ordinary Shares pursuant to the warrants/options/subscription rights referred to in paragraphs 3.2, 4 and 6 of Part 4 of this document. Please also refer to paragraphs 6 (“*Dilution*”) and 7 (“*Use of Proceeds*”) of Part 1 of this document.

DIRECTORS, SECRETARY AND ADVISERS

Directors	<p>Petro (Peter) Roman Szytk (<i>Chief Executive Officer</i>) Christopher (Chris) Charles Gilbert Einchcomb (<i>Non-Executive Chairman</i>) Georges Nicolas Szytk (<i>Finance Director</i>) Stephen Polakoff (<i>Non-Executive Director</i>) Roland Frederick (Fred) Hodder (<i>Non-Executive Director</i>)</p>
Company Secretary	<p>Elian Fund Services (Jersey) Limited 44 Esplanade, St Helier Jersey JE4 9WG Channel Islands</p>
Registered office	<p>44 Esplanade, St. Helier Jersey JE4 9WG Channel Islands</p>
Nominated Adviser	<p>Beaumont Cornish Limited 2nd Floor, Bowman House 29 Wilson Street London EC2M 2SJ United Kingdom</p>
Placing Agent and Broker	<p>Cornhill Capital Limited 4th Floor, St. Swithin's Lane London EC4N 8AD United Kingdom</p>
Solicitors to the Company as to English law	<p>Watson Farley & Williams LLP 15 Appold Street London EC2A 2HB United Kingdom</p>
Solicitors to the Company as to Jersey law	<p>Ogier 44 Esplanade, St. Helier Jersey JE4 9WG Channel Islands</p>
Auditor to the Company	<p>Chapman Davis LLP 2 Chapel Court London SE1 1HH United Kingdom</p>
Registrars	<p>Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street, St. Helier Jersey JE1 1ES Channel Islands</p>
Receiving Agent	<p>Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom</p>

PART 1

LETTER FROM THE CHAIRMAN

NEW WORLD OIL AND GAS PLC

(Incorporated in Jersey with registration number 105517)

Directors:

Petro (“Peter”) Roman Sztyk (*Chief Executive Officer*)
 Christopher Charles Gilbert Einchcomb (*Non-Executive Chairman*)
 Georges Nicolas Sztyk (*Finance Director*)
 Stephen Polakoff (*Non-Executive Director*)
 Roland Frederick Hodder (*Non-Executive Director*)

Registered office:

44 Esplanade
 St. Helier
 Jersey JE4 9WG
 Channel Islands

11 June 2015

To Shareholders and, for information purposes only, the holders of options and warrants over Ordinary Shares and, where permitted, Permitted Beneficiaries

Dear Shareholder,

1. INTRODUCTION AND SUMMARY

The Company has today announced its intention to raise up to £3.5 million (before expenses) by way of a Placing and Open Offer at the Issue Price. The Issue Price represents a discount of approximately 65.38 per cent. to the middle market closing price per Existing Ordinary Share of 0.26p on 18 May 2015 being the last business day prior to the initial Suspension and a discount of approximately 5.26 per cent. to the middle market closing price per Existing Ordinary Share of 0.095p on 28 April 2015, being the last business day prior to the announcement of the Original Placing.

Accordingly, subject to fulfilment of the conditions set out in this document, Eligible Shareholders are being given the opportunity to subscribe for Open Offer Shares at the Issue Price *pro rata* to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

5.534 Open Offer Shares for each Existing Ordinary Share

The Board is pleased to confirm that in connection with the Placing and Open Offer, Cornhill Capital, as placing agent for the Company, has received Placing Commitments from certain persons for 3,888,873,028 Clawback Shares under the Placing, subject to: (i) clawback by Eligible Shareholders under the Open Offer; and (ii) the conditions of the Placing.

The purpose of this document is to outline the reasons for, and to explain the terms of the Placing and Open Offer and to explain why the Board considers the Placing and Open Offer to be in the best interests of the Company and of Shareholders as a whole.

2. BACKGROUND TO AND REASONS FOR THE PLACING AND OPEN OFFER

The past two year period has been a difficult time for the Company. The unsuccessful drilling program in Belize was a major disappointment for the Company and our Shareholders, as was the failure by Niel Petroleum to complete its equity investment and the failure to complete the Al Maraam SPA.

As announced on 1 December, 2014, the Company terminated the agreements with Niel Petroleum in relation to its proposed subscription of Ordinary Shares for an aggregate consideration of US\$25 million. As part of these arrangements, Niel Petroleum agreed that sums totalling US\$4.8 million which had been funded by it to the Company be released to, and retained by, the Company in full and final settlement of all liabilities of Niel Petroleum to the Company. Niel Petroleum also agreed to discharge any and all claims that it may have arising out of or in connection with the Al Maraam SPA or any payment made by New World thereunder or in connection therewith. Despite this settlement, the Company was left with very little funding to finance on-going operations and seek out investment opportunities.

The position regarding Directors' salaries was incorrectly summarised at the EGM and is as follows. In order to preserve the Company's cash position, effective November 2014, all Directors accepted a 50% reduction of their fees and management service contract payments. Beginning March 2015, all non-executive Directors would accrue salaries until such time that the Remuneration Committee determines that the Company has adequate cash reserves. Between May and November 2014, the executive Directors allocated 20% of their service contract fees as a repayment of the director loans dating back to the March 2014 placing. From November 2014 to February 2015, the executive Directors accepted a 50% reduction in all salary payments and continued to repay 20% against the outstanding loans. From February 2015, executive Directors have not received any cash payments, and all fees payable to them have been applied against the outstanding loans. Payments in cash to the executive Directors will re-commence at such time that the Remuneration Committee determines that the Company has adequate cash reserves.

The Company is in discussions with the principals of Al Maraam to recover the Euro 1.0 million deposit paid to Al Maraam. The Company is hoping to reach a final settlement but will consider other alternatives should this not be possible.

The current cash position of the Company (as at opening of business on 8 June 2015), excluding any funds owed to the Company pursuant to the Al Maraam SPA, stands at approximately £290,000. Based upon the current rate of spending and in the absence of raising any funds pursuant to the Placing and Open Offer, the Directors expect this balance to last for no more than three months.

In early 2015, a London broker, with a plan to raise £3 million to finance the drilling of a third well in Belize to fulfill work program requirements, approached the Company. After a lengthy road show, the financing effort fell short and there appeared little appetite for the Company's Ordinary Shares. Following and separate from this event, Cornhill Capital met with the Company's management and proposed to raise £1.5 million from its existing client base. As a result, on 29 April 2015, the Company announced a placing (the "**Original Placing**") to raise £1.5 million (before expenses), through the issue of 2,727,272,727 Original Placing Shares at a price of 0.055p per Original Placing Share. Issuance of the Original Placing Shares was conditional upon the necessary shareholder resolutions being passed at the EGM held on 19 May 2015. These resolutions were not passed at the EGM and, accordingly, the Original Placing did not proceed and the Original Placing Shares were not allotted nor admitted to trading on AIM.

Following the announcement of the Original Placing, the Company noted the high level of interest in the Company's Ordinary Shares and announced that it was putting in place arrangements to proceed with an open offer (subject to the distribution of a circular and compliance with all applicable rules and regulations) so as to enable Shareholders to subscribe for Ordinary Shares.

The Company therefore now has decided that it should proceed with a Placing and Open Offer. The Open Offer is a pre-emptive issue in accordance with the Articles of Association and the Board therefore has the requisite authority to proceed with both the Open Offer and, subject to clawback under the Open Offer, the Placing.

Whilst the Company has previously announced its intention to make an open offer at 0.055p, being the price of the Original Placing, the Board has in the light of events reconsidered what would be an appropriate price for the Placing and Open Offer. In particular, they have reconsidered one which balances the Company's need for funds and the need to have an equity fundraising pre-placed at an advantageous price for the Company against one which gives Eligible Shareholders the opportunity of subscribing for Ordinary Shares at what they might consider an attractive price. The Board has therefore focused on the Ordinary Share price immediately prior to the announcement of the Original Placing which was a closing price of 0.095p on 28 April, 2015 and has agreed with Cornhill Capital that the Placing and Open Offer should be conducted at an issue price of 0.09p per Ordinary Share.

On 19 May 2015, the Ordinary Shares were suspended from trading on AIM pending the outcome of the then forthcoming EGM. On 21 May 2015, pursuant to the London Stock Exchange Market Notice N10/15, the Exchange stated that it had been monitoring the settlement situation in the Ordinary Shares which had continued to deteriorate and added that, as the likelihood of any further executions settling at that time was low, the trading of the Company's Ordinary Shares would remain suspended. Given the uncertainty as to the full extent of the settlement problems in the Ordinary Shares and the Company's desire to raise a meaningful

amount of money to advance its plans, the Board has resolved to make the Open Offer as large as it can without the need for publishing a prospectus, which the Board consider would be impractical in the circumstances.

Taking all these factors into account, the Company now proposes to raise up to £3.5 million (before expenses) by way of the Placing and Open Offer at a price of 0.09p per share.

The net proceeds of the Placing and Open Offer will be used to progress the Group's projects, to fund additional new interests and for general working capital purposes, as set out more fully in paragraph 7. below.

Significant costs and management time have been, and continue to be, expended on dealing with issues surrounding the EGM, trading issues relating to the Ordinary Shares, considering the settlement issues relating to the Ordinary Shares and in arranging the Placing and Open Offer. If the Placing and Open Offer does not succeed in addressing the settlement issues in the Ordinary Shares, the Company and Cornhill Capital have agreed (subject to compliance with all relevant laws and regulations and to the Directors' fiduciary duties) to take such reasonable steps as they may agree, acting in good faith, to be required in order to deal with such settlement issues. Such steps may, as a last resort, include an issue of new Ordinary Shares for non-cash consideration utilising a cash box placing (which would neither require the consent of Shareholders nor be on a pre-emptive basis) conducted through Cornhill Capital in accordance with the Articles of Association. If the Company and Cornhill Capital are unable to identify or agree on such steps, the Board may be faced with no alternative but to commence winding-up of the Company.

3. INFORMATION ON THE GROUP AND OPERATIONAL UPDATE

New World, through its subsidiaries, has interests in four concessions in Belize and in Denmark. Each concession is at a slightly different stage of exploration maturity and the Group's strategy is to realise the potential of these concessions, through continued exploration with the assistance of farm-in partners, being sought by the Group. The Group is also looking to pursue additional new opportunities, in particular opportunities in the oilfield enhancement space.

Belize

Blue Creek Project

The Blue Creek Project is located onshore in Northwest Belize in the North of the relatively underexplored North Petén Basin. The Blue Creek PSA covers two non-contiguous licence areas, known as the Main Blue Creek area and the West Gallon Jug area. NWOG Belize, a wholly owned subsidiary of the Company, has a 100 per cent. participating interest in the Blue Creek PSA (subject to BCE (the previous holder of a majority interest in the Blue Creek PSA) maintaining a 5 per cent. royalty override).

The Blue Creek Project lies in very close proximity to the producing Spanish Lookout and Never Delay fields which were discovered in 2005, declared commercial in 2010 and are currently producing over 2,200 bopd.

Between September 2013 and April 2014, the operator under the Blue Creek PSA and the Company's wholly owned subsidiary NWOG Belize Operations successfully drilled 2 wells and included one sidetrack well in the licensed concession. The wells were executed free of any health and safety incidents and within budget. The Blue Creek-2 well penetrated reservoirs in the Yalbac and Hill Bank formations and free oil was recovered from the drilling mud. The wells were fully logged but due to hole conditions and log analysis failing to confirm moveable hydrocarbons the well was not tested.

During 2014, NWOG Belize Operations carried out geochemical analysis of crude oil saturated cuttings collected from different stratigraphic intervals of the Yalbac and Hill Bank formations penetrated in the Blue Creek-2. The results of the analysis have been compared to other crude oils in the Petén Basin. The work was done at the organic geochemistry laboratory of the Geophysical Survey of Denmark and will help the Group better understand the possible migration pathways from source areas.

Analysis of crude oil produced in the region, (Spanish Lookout, Eagle-1, Canal Bank-1), and from oil seeps (Calla Creek), found in Northwest Belize revealed that the oil originates from several different source rock

sequences that lie in the deeper sub-basin to the west and northwest of the Blue Creek PSA contractual area in northern Guatemala and southern Mexico. Present day migration of at least one crude oil, (which is not biodegraded), is indicated by the shallow Calla Creek seep, located south and up-dip. The Group considers all of this to be greatly encouraging and remains of the view that an active working hydrocarbon system exists along the eastern margin of the North Petén Basin.

The Blue Creek PSA will terminate on 12 October 2015, unless an additional well is spudded prior to this date. If an additional well is not spudded by 12 October 2015, it is expected that an extension of the exploration period of the Blue Creek PSA could be granted by the Belize Government to allow for the completion of the drilling program. In the event of a commercial discovery, NWOG Belize may apply for a 25-year production and development licence, by submitting a development plan to the Government. The Company has identified a suitable location for an additional well on the C prospect in the eastern part of the northern licence block of the Main Blue Creek area and prepared an outline drilling plan and cost analysis in preparation for any future drilling opportunity. Should sufficient funds be available to the Company at the relevant time the Directors expect to consider an additional well in Belize to be spudded in the fourth quarter of 2015.

The Group is actively looking for a farm-in partner for the Blue Creek PSA to reduce costs and help de-risk the project. Discussions with potential interested parties are continuing. During the past 6 months, the Company has held talks with potential partners from Belize, Martinique, the US, Mexico, Turkey and Argentina. This effort is on-going and the Company remains hopeful that a partner will be found prior to 12 October 2015, being the Blue Creek PSA termination date.

Denmark

Danica Jutland Project and the Danica Resources Project

New World, through its subsidiaries, has a 25% participating interest in two oil and gas assets in Denmark: the Danica Jutland Licences and the Danica Resources Licence.

The Danica Jutland Licences, comprise two adjacent licences, covering over 4,106 square kilometres onshore Denmark located over the southern flank of the Northern Permian Basin. NWOG Jutland, the Company's wholly owned subsidiary holds a 25 per cent. participating interest in the Danica Jutland Licences. Danica Jutland ApS holds a 55 per cent. participating interest in the Danica Jutland Licences and the remaining 20 per cent. participating interest is held by the Danish North Sea Fund.

The Danica Resources Project, is located onshore/offshore Denmark and comprises a single licence covering over 6,400 square kilometres in southern Denmark, located over the northern flank of the South Permian Basin along trend from the productive Zechstein oil fields of northern Germany and Poland. NWOG Resources, the Company's wholly owned subsidiary, is operator and holds a 25 per cent. participating interest in the Danica Resources Licences. Danica Resources ApS holds a 55 per cent. participating interest in the Danica Jutland Licences and the remaining 20 per cent. participating interest is held by the Danish North Sea Fund.

Since the Group farmed into the Danica Licences in 2012, an extensive work programme has been undertaken of 2D and some 3D seismic acquisition, reprocessing and interpretation, re-evaluation and interpretation of existing well data and conducted soil sampling, including a Vaportec geochemical survey carried out in 2014, to detect hydrocarbon anomalies at the surface, with the deployment and collection of a total of 626 samples. The aggregate total cost of this work to date is approximately US\$10million, including the participating interests funded by the Danish North Sea Fund and Danica Jutland ApS.

The results of the work programmes undertaken on the Danica Licences to date have significantly improved the resource estimates and risks associated with the high graded prospects within the Danica Licences. For example, the seismic data has improved fault correlations, helped identify Zechstein oil leads and prospects, and led to significant growth in the North Rødby prospect in the Danica Resources Licence. Risks have been reduced from less than 10 per cent. GPoS on entry to 20-25 per cent. GPoS based on the new data acquired.

Seismic and well analysis has improved the understanding of the primary targets in the Zechstein carbonates and Triassic and Rotliegend clastic reservoirs. New and reprocessed seismic has enabled the Group to

identify the Zechstein carbonate platform margin and associated “reef” like features that are analogous with the proven Koscian Fields in Poland.

As announced on 20 March 2015, the Group has reached commitment to extend the work programme commitment deadlines for the Danica Licences, which would have otherwise expired on 15 March 2015, to 15 September 2015. These extensions have been granted to allow time to conduct additional technical work to further de-risk the prospects already identified on the Danica Licences. As further detailed in the announcement, the licence extensions are conditional upon the required licence work programme being undertaken by the specified date.

Fluid inclusion studies must be carried out on each of the Danica Licences and the results of these studies must be evaluated and integrated with the existing interpretations of the respective licence areas by 1 September 2015. Each of the Danica Licences are required to be relinquished by 15 September 2015 unless certain additional work is undertaken or committed to. For Danica Jutland Licence 1/09, this work consists of carrying out 2D seismic surveys over one or more mapped prospects. For Danica Jutland Licence 2/09, this work consists of a commitment to carry out 3D seismic surveys over one or more mapped prospects to allow for a decision to be made to drill one exploration well in the Danica Jutland Licence 2/09 area. This work is to be completed and evaluated before the approved extension of the Danica Jutland Licence 2/09 period expires on 17 May 2017. In the case of the Danica Resources Licence, the requirement is for a commitment to conduct a 3D seismic survey over one or more mapped prospects by 15 September 2015.

As part of the extensions of the work commitments under the Danica Licences, the licence holders have agreed with the Danish Energy Agency to relinquish less prospective areas on the Danica Licences and focus on further evaluation of high graded prospects such as Jensen, Harboe, Jelling and Zechstein leads in the Danica Jutland Licences and North Rødby and Zechstein platform leads in the Danica Resources Licence. These prospects and leads are estimated to contain unrisked gross P50 resource estimates in excess of 75mmbbls of oil and 1.1TSCF of gas based on the CPR.

The Company is working with its Competent Person, RPS Energy, on updating the CPR for the Danica Licences which is now expected in Q3 2015. The updated CPR was originally expected in Q2 2015 but this has been delayed due to the amount of management time that has been involved in dealing with Company issues over the last 6 weeks including the Original Placing, the EGM, the settlement issues in the Ordinary Shares and the Placing and Open Offer. The updated CPR will include the results of recent activities undertaken by the Group and its joint venture partners in Denmark.

The Group is actively looking for a farm-in partner for the Danica Licences to reduce costs and help de-risking. Discussions with potential interested parties are continuing.

New Opportunities

Since the termination of the Company’s agreements with Niel Petroleum, the Company has re-directed its efforts to finding a project that has the potential to generate immediate or short-term cashflow. Given its cash position, the Company has limited its search to projects that require minimum initial outlays to secure a position in projects and it is actively evaluating such opportunities. Our analysis has indicated that oilfield enhancement is an area that requires minimum up-front investment and potentially very interesting upside. The Company has been negotiating with companies that are knowledgeable in their respective geographical areas, with good contacts and technical expertise in oilfield enhancement. The Company feels that its field operations experience, coupled with good local partners, provides the best potential for future development.

4. THE PLACING AND OPEN OFFER

The Open Offer is for up to 3,888,873,028 Open Offer Shares at the Issue Price, to raise gross proceeds of up to £3.5 million.

Only Eligible Shareholders on the register as at the Record Date of 5 June 2015 will be able to participate in the Open Offer. The Open Offer is not a rights issue. Eligible CREST Shareholders should note that although the 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

Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear’s Claims Processing Unit. Eligible Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded or transferred. Eligible Non-CREST Shareholders should note that applications may only be made on the Application Form and may only be made by the Eligible Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer.

The Open Offer is not subject to a minimum subscription by individual Eligible Shareholders or a minimum aggregate subscription amount.

The Company has entered into the Placing Agreement with Cornhill Capital pursuant to which Cornhill Capital has conditionally agreed to use its reasonable endeavours to procure subscribers for up to 3,888,873,028 Shares (being the same number as the Open Offer Shares) subject to clawback by Eligible Shareholders under the Open Offer. Further details of the Placing Agreement are set out in paragraph 4 of Part 4 of this document.

Accordingly, Cornhill Capital, as placing agent for the Company, has received conditional Placing Commitments from placees representing commitments in aggregate for £3.5 million for 3,888,873,028 Clawback Shares at the Issue Price, which are subject to clawback by Eligible Shareholders under the Open Offer. The Placing is not underwritten or guaranteed. Further details of the Placing Commitments are set out in paragraph 5 of Part 4 of this document.

The Open Offer constitutes an offer of Ordinary Shares in compliance with the pre-emption rights contained in articles 2.8 to 2.15 of the Articles of Association.

Subject to the fulfilment of the terms and conditions referred to in this document and, where relevant, set out in the Application Form, Eligible Shareholders are being given the opportunity to apply for Open Offer Shares at a price of 0.09p *pro rata* to their holdings of Existing Ordinary Shares on the Record Date, free of expenses, payable in full, in cash on application, on the basis of:

5.534 Open Offer Shares for each Existing Share

registered in the name of each Eligible Shareholder at the Record Date.

The participation by an Eligible Shareholder for its Open Offer Entitlement does not guarantee that its percentage shareholding will not be diluted from the position prior to the Placing and the Open Offer as a result of the Placing and the Open Offer.

If you are an Eligible Non-CREST Shareholder you will have received an Application Form with this document and you should refer to paragraph 4(i) and paragraphs 5 to 11 of Part 3 of this document.

If you are an Eligible CREST Shareholder you will have received a credit of Open Offer Entitlements to your CREST stock account and you should refer to paragraph 4(ii) and paragraphs 5 to 11 of Part 3 of this document and also to the CREST Manual for further information on the CREST procedures referred to below.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission of the New Ordinary Shares will become effective at 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015).

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 3 of this document and, where appropriate, in the Application Form, which you should read in full. Eligible Shareholders who subscribe for Open Offer Shares represent, warrant, agree and acknowledge that they have reviewed the representations, warranties, covenants, agreements and acknowledgements set out in Schedule 1

of this document and, in applying for Open Offer Shares, are deemed to have given such representations, warranties, covenants, agreements and acknowledgements.

For Eligible Non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE (during normal business hours only) 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 6 July 2015. For Eligible CREST Shareholders the relevant CREST instructions must have settled as explained in this document by no later than 11.00 a.m. on 6 July 2015.

The Placing and Open Offer is conditional, amongst other things, upon:

- (i) Admission becoming effective by not later than 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015); and
- (ii) the Placing Agreement not having been terminated in accordance with its terms.

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Placing and Open Offer will not proceed and any Open Offer Entitlements admitted to CREST will thereafter be disabled.

The Placing and Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading is subject to the Rules of the London Stock Exchange. Accordingly, New Ordinary Shares which are subscribed for under the Placing and Open Offer shall remain suspended from trading on AIM until the Restoration of Trading is effective. Whilst the Company intends the measures set out in this document to improve the settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration. If the Restoration of Trading is not effected within six months from the date of Suspension i.e. by 19 November 2015, in accordance with rule 41 of the AIM Rules for Companies, it is expected that the Company's admission to trading on AIM will be cancelled. If the Restoration of Trading is not effected, in addition, the Company may be faced with no alternative but to commence winding-up of the Company.

If you have sold or otherwise transferred all of your registered holding of Existing Ordinary Shares before the Record Date, please forward this document, together with the accompanying Application Form (having completed Box J on the Application Form), at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. 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. If your Existing Ordinary Shares which were sold or transferred were held in uncertificated form and were sold or transferred before that date, a claim transaction will automatically be generated by Euroclear which, where the purchaser or transferee is a Eligible CREST Shareholder, on settlement, will transfer the appropriate number of Open Offer Entitlements to the purchaser or transferee. If your are in any doubt as to your position as regards such claims, you should seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate financial adviser duly authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

5. SUSPENSION AND RESTORATION OF TRADING

You should note that the Shares are currently suspended on AIM and the Placing and Open Offer is not conditional on Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading of the Existing Ordinary Shares and the New Ordinary Shares is subject to the Rules of the London Stock Exchange. Accordingly New Ordinary Shares subscribed under the Placing and Open Offer shall continue to remain suspended from trading on AIM until the Restoration of Trading is effected. Whilst the Company intends the measures set out in this document to improve the

settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration.

Should the results of the Placing and Open Offer not succeed in addressing the settlement issues in the Ordinary Shares, the Company and Cornhill Capital have agreed (subject to compliance with all relevant laws and regulations and to the Directors' fiduciary duties) to take such reasonable steps as they may agree, acting in good faith, to be required in order to deal with such settlement issues. Such steps may, as a last resort, include an issue of new Ordinary Shares for non-cash consideration utilising a cash box placing (which would neither require the consent of Shareholders nor be on a pre-emptive basis) conducted through Cornhill Capital in accordance with the Articles of Association, in which case further potentially significant dilution may result from such placing. If the Company and Cornhill Capital are unable to identify or agree on such steps, the Board may be faced with no alternative but to commence winding-up of the Company.

If the Restoration of Trading is not effected within six months from the date of Suspension i.e. by 19 November 2015, in accordance with rule 41 of the AIM Rules for Companies, it is expected that the Company's admission to trading on AIM will be cancelled.

6. DILUTION

The Placing and Open Offer, if fully subscribed, will result in the issue of 3,888,873,028 New Ordinary Shares (representing approximately 84.7 per cent. of the Enlarged Share Capital of the Company). The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with 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 for the Open Offer.

Shareholders who do not elect to participate in the Open Offer will suffer a maximum dilution, as a result of completion of the Placing and Open Offer, as set out in the table below:

<i>Number of New Ordinary Shares Issued</i>	<i>Dilution to non-participating Shareholders</i>
3,888,873,028*	84.7%*

Under the warrants and other subscription rights granted to Cornhill Capital under the Placing Agreement as set out in paragraphs 4 and 6 of Part 4 of this document, and assuming no Open Offer Entitlements are taken up by Eligible Shareholders under the Open Offer, Cornhill Capital may be issued with a total of 454,341,848 Ordinary Shares which would result in a maximum total number of Ordinary Shares in issue of 5,045,938,589, representing a fully diluted dilution to non-participating Shareholders of 86.1%.*

* Assuming full subscription under the Placing and Open Offer, no cash box placing as referred to in paragraph 5 above of this Part 1 and no exercise of the warrants/options referred to in paragraph 3.2 of Part 4 of this document. If a cash box placing occurs, significant dilution may result from such placing.

The participation of an Eligible Shareholder for its Open Offer Entitlement does not guarantee that its percentage shareholding will not be diluted from the position prior to the Placing and the Open Offer as a result of the Placing and the Open Offer.

7. USE OF PROCEEDS

It is intended that the net proceeds of the Placing and Open Offer (being approximately £2.8 million, assuming full subscription under the Placing and Open Offer and after including expenses relating to the EGM) together with existing cash balances, will be used by the Group to:

- continue efforts to find farm-in partners for the Blue Creek Project in Belize and the Danica Jutland Project and Danica Resources Project in Denmark;
- pursue farm-in and/or acquisition opportunities for oilfield enhancement and reactivation projects and to fund initial work programmes to generate early cash flows;
- fund the 2015 work programmes for the Danica Jutland Project and Danica Resources Project in Denmark prior to making a drill or drop decision by 15 September 2015;

- retain and maintain the Belize Blue Creek Project and make sufficient preparation to enable a quick drilling decision should additional sufficient funds be raised following the Placing and Open Offer; and
- provide general corporate and working capital for the Group into 2015.

It is intended that the net proceeds of the Placing and Open Offer, assuming full subscription under the Placing and Open Offer will be applied as follows:

	£
Sources⁽¹⁾ & Uses of Funds:	
Cash Balance as at open of business, on 8 June 2015	290,000
Anticipated Net Proceeds from the Placing and Open Offer ⁽²⁾	2,800,000
Total Cash Available	<u>3,090,000</u>
Uses of Funds:	
Operating Overheads	385,000
Program Commitments	
Belize	35,000
Denmark	10,000
	<u>45,000</u>
New projects	
Middle East	2,000,000
Total Uses of Funds	<u>2,430,000</u>
Available Cash	660,000

(1) These amounts do not take into account any funds owed to the Company pursuant to the Al Maram SPA or the amount of outstanding loans of approximately £322,355 owed by the Directors (and their connected persons) to the Company.

(2) Assumes maximum number of New Ordinary Shares are allotted pursuant to the Placing and Open Offer. Includes expenses relating to the EGM.

8. DIRECTORS' SHAREHOLDINGS

Details of the Directors interests in the issued and unissued share capital of the Company as at the date of this document and following completion of the Placing and Open Offer are set out in paragraph 3 of Part 4 of this document.

9. ACTION TO BE TAKEN BY SHAREHOLDERS IN RESPECT TO THE OPEN OFFER

If you are an Eligible Non-CREST Shareholder, you will have received an Application Form which gives details of your maximum entitlement under the Open Offer (as shown by the Open Offer Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer, of which, subject to satisfaction of the terms and conditions set out in this document and the Application Form, any application for your Open Offer Entitlement shall be satisfied in full, you should complete the enclosed Application Form in accordance with the procedure for application set out in paragraph 4(i) of Part 3 of this document and on the Application Form itself.

If you are an Eligible CREST Shareholder, no Application Form is enclosed and you will instead receive a credit to your appropriate stock account in CREST in respect of your Open Offer Entitlement representing your maximum entitlement under the Open Offer. You should refer to the procedure for application set out in paragraph 4(ii) of Part 3 of this document.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 6 July 2015. The procedure for application and payment 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. The procedures for application and payment are set out in Part 3 of this document. Further details also appear in the Application Form which has been sent to Eligible Non-CREST Shareholders.

Eligible 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.

10. OVERSEAS SHAREHOLDERS

Information for Shareholders who have registered addresses outside the Relevant Jurisdictions appears in paragraph 7 of Part 3 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.

11. TAXATION

Information regarding taxation in the United Kingdom and in Jersey in connection with the Open Offer is set out in paragraph 6 of Part 3 of this document. Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their professional adviser as soon as possible.

12. RISK FACTORS AND ADDITIONAL INFORMATION

Your attention is drawn to the risk factors in Part 2 of this document which are important and should be read in full and the additional information set out in Part 4 of this document.

13. SETTLEMENT, DEALINGS AND CREST

Application will be made to AIM for Admission to trading of the New Ordinary Shares. It is expected that Admission of the New Ordinary Shares will become effective at 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015). The Placing and Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading is subject to the Rules of the London Stock Exchange. Accordingly, New Ordinary Shares which are subscribed for under the Placing and Open Offer shall remain suspended from trading on AIM until the Restoration of Trading is effective. Whilst the Company intends the measures set out in this document to improve the settlement issues, there is no guarantee that the measures will be sufficient to enable Restoration. Further details of the settlement arrangements in relation to the Open Offer are set out in paragraph 8 of Part 3 of this document.

Placees that have asked to hold their New Ordinary Shares in uncertificated form will have their CREST accounts credited on the day of Admission. Where placees have requested to receive their New Ordinary Shares in certificated form, share certificates will be despatched at the placee's risk within 14 days of Admission.

Application will be made for the New Ordinary Shares to be admitted to CREST with effect from Admission. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

14. CONCLUSION

Following the defeat of the resolution necessary to effect the Original Placing at the EGM, the Board considered the various options available to it to raise funds and to resolve the settlement issues the Company has found itself in. In particular, the Board has considered the following key factors:

- 1. The Company still requires funding among other things to enable it to maintain its interests in and find farm-in partners for its existing projects in Belize and Denmark, to fund additional new interests and for general working capital purposes.**
- 2. After an extensive placing exercise in early 2015 which failed to generate sufficient interest in investing in the Company's shares, the Board was approached by Cornhill Capital and as a result entered into the Original Placing. At that time, there was no indication that there was any**

substantial interest in the Company's shares let alone sufficient to consider an open offer to Shareholders and, in any case, the Original Placing was subject to Shareholders' approval.

3. As a result of the settlement issues resulting from short selling and other trades in the Ordinary Shares or intervention by market participants, subsequent to the announcement of the Original Placing, it is clear that the settlement issues in the Ordinary Shares will only be resolved when there has been a substantial issue of new Ordinary Shares and the settlement issues can be resolved. It is vital, therefore, that any plan put in place ensures that this can be the case and therefore Cornhill Capital as placing agent for the Company has obtained Placing Commitments for 3,888,873,028 Shares subject to clawback by Eligible Shareholders under the Open Offer. Placing Commitments were obtained as there can be no assurance that Eligible Shareholders will either be able or wish sufficiently to take up the issue.
4. The Company has, for the reasons already stated, decided that it should proceed with the Placing and Open Offer. The Open Offer is a pre-emptive issue in accordance with the Articles of Association and the Board therefore has the requisite authority to proceed with both the Open Offer and, subject to clawback under the Open Offer, the Placing.
5. The Board has in the light of events reconsidered what would be an appropriate price for the Placing and Open Offer. In particular, they have reconsidered one which balances the Company's need for funds and the need to have an equity fundraising pre-placed at an advantageous price for the Company against one which gives Eligible Shareholders the opportunity of subscribing for Ordinary Shares at what they might consider an attractive price. The Board has therefore focused on the Ordinary Share price immediately prior to the announcement of the Original Placing which was a closing price of 0.095p on 28 April 2015 and has agreed with Cornhill Capital that the Placing and Open Offer should be conducted at an issue price of 0.09p per Ordinary Share (compared to the intended price of 0.055p as previously announced).
6. Given the uncertainty as to the full extent of the settlement problems in the Ordinary Shares, the Board has resolved to make the Open Offer as large as it can without the need for publishing a prospectus, which would be impractical in the circumstances.
7. Therefore, taking all these factors into account, the Board's decision has been to proceed with a Placing and Open Offer to raise up to £3.5 million before expenses at a price of 0.09p per New Ordinary Share, placed subject to clawback by Eligible Shareholders under the Open Offer.

The Board therefore believes that the Placing and Open Offer is in the best interests of the Company and the Shareholders as a whole, in order to allow the Company to raise funds to enable it to maintain its current operations and pursue its future plans.

The Directors and their related parties (as well as certain other Eligible Shareholders) have given Pre-emption Waivers and do not therefore intend to take up their entitlements under the Open Offer.

Yours faithfully,

Christopher Einchcomb
Non-Executive Chairman

PART 2

RISK FACTORS

The investment detailed in this document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult a professional adviser authorised under FSMA who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

The exploration for and development of natural resources is a highly speculative activity which involves a high degree of risk. Accordingly, the Ordinary Shares should be regarded as a highly speculative investment and an investment in the Company should only be made by those with the necessary expertise to evaluate the investment fully.

In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, are of particular relevance to the Group's activities and to any investment in the Company. It should be noted that additional risks and uncertainties not presently known to the Directors or which they currently believe to be immaterial may also have an adverse effect on the Group. Any one or more of these risk factors could have a materially adverse impact on the value of the Group and should be taken into consideration when assessing the Company.

There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future of the Group and there can be no assurance that the Group will achieve its objectives.

1. RISKS ASSOCIATED WITH THE ORDINARY SHARES

Share price volatility and liquidity

There can be no assurance that an active or liquid trading market for the Ordinary Shares will be available or maintained. AIM is a market designed primarily for emerging or smaller growing companies which carry a higher than normal financial risk and tend to experience lower levels of liquidity than larger companies. Accordingly, AIM may not provide the liquidity normally associated with the Official List or some other stock exchanges. The Ordinary Shares may therefore be difficult to sell compared to the shares of companies listed on the Official List and the share price may be subject to greater fluctuations than might otherwise be the case.

The Company is principally aiming to achieve capital growth and, therefore, Ordinary Shares may not be suitable as a short-term investment. Consequently, the share price may be subject to greater fluctuation on small volumes of shares traded, and thus the Ordinary Shares may be difficult to sell at a particular price. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their original investment.

The share prices of publicly quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Group and its operations. These factors include, without limitation, the performance of the Company and the overall stock market, large purchases or sales of Ordinary Shares by other investors, changes in legislation or regulations and changes in general economic, political or regulatory conditions and other factors which are outside of the control of the Company.

Shareholders may sell their Ordinary Shares in the future to realise their investment. Sales of substantial amounts of Ordinary Shares following Admission or the perception that such sales could occur, could

materially adversely affect the market price of the Ordinary Shares available for sale compared to the demand to buy Ordinary Shares. Such sales may also make it more difficult for the Company to sell equity securities in the future at a time and price that is deemed appropriate. There can be no guarantee that the price of the Ordinary Shares will reflect their actual or potential market value or the underlying value of the Group's net assets and the price of the Ordinary Shares may decline below their current market price.

Investment risk

An investment in the Company is highly speculative, involves a considerable degree of risk and is suitable only for persons or entities which have substantial financial means and who can afford to hold their ownership interests for an indefinite amount of time. The value of an investment in the Company could, for a number of reasons, go down as well as up. There is also the possibility that the market value of an investment in the Company may not reflect the true underlying value of the Company or the Group.

Trading in the Ordinary Shares, Suspension and Restoration of Trading or Cancellation

On 7 May, 2015, the London Stock Exchange issued a market notice highlighting delays in the settlement of transactions in the Ordinary Shares and reminded member firms of their settlement obligations under the rules of the Exchange. On 19 May 2015, the Ordinary Shares were temporarily suspended from trading on AIM. On 21 May 2015, pursuant to the London Stock Exchange Market Notice N10/15, the Exchange stated that it had been monitoring the settlement situation in the Ordinary Shares which had continued to deteriorate and added that, as the likelihood of any further executions settling at that time was low, the trading of the Company's Ordinary Shares would remain suspended under Exchange rule 1510. It was noted that settlement of outstanding transactions could continue whilst the security was suspended.

Until this situation is resolved, there remains a material risk that any transactions in the Ordinary Shares will not be settled and therefore Shareholders and potential investors are advised to exercise extreme caution in dealing in the Ordinary Shares and to consult a person duly authorised and regulated by the FCA before so doing.

If the Restoration of Trading is not effected within six months from the date of Suspension i.e. by 19 November 2015, in accordance with rule 41 of the AIM Rules for Companies, it is expected that the Company's admission to trading on AIM will be cancelled.

Substantial/activist shareholders

The Company has received notices of various substantial shareholding interests which are not reflected as Eligible Shareholders in the Company's register as at the Record Date. These include notices received on behalf of (a) Mrs. Judith Williams regarding a shareholding interest representing, in her last such notice, 24.63 per cent. of the Existing Ordinary Shares and (b) a group of persons regarding a shareholding interest of 5.91 per cent. and intending to acquire further interests to reach a total holding exceeding 10% of the Existing Ordinary Shares with the intention of requisitioning an extraordinary general meeting of the Company to propose a change of direction for the Company. The Company cannot give any assurances that the Company's current plans will not be altered as a result of action, or requests for action, by substantial or activist Shareholders, nor as to other intentions such persons may have regarding the Company.

Dilution

The holdings of all Shareholders who are not Eligible Shareholders or, being Eligible Shareholders, do not apply for their full entitlement pursuant to the Open Offer will be very substantially diluted as a result of the Placing and Open Offer. Please refer to paragraph 6 ("*Dilution*") of Part 1 of this Document. Although the Placing and Open Offer is not conditional on Restoration of Trading, if the Placing and Open Offer does not succeed in addressing the settlement issues in the Ordinary Shares, the Company and Cornhill Capital have agreed (subject to compliance with all relevant laws and regulations and to the Directors' fiduciary duties) to take such reasonable steps as they may agree, acting in good faith, to be required in order to deal with such settlement issues. Such steps may, as a last resort, include an issue of new Ordinary Shares for non-cash consideration utilising a cash box placing (which would neither require the consent of Shareholders nor be on a pre-emptive basis) conducted through Cornhill Capital in accordance with the Articles of Association, in which case further potentially significant dilution may result from such placing.

Takeover Code

Under Rule 9 of the Takeover Code, any person who acquires an interest (as such term is defined in the Takeover Code) in shares which, taken together with the shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in a company which is subject to the Takeover Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by any such person. These limits apply to the entire concert party as well as the total beneficial holdings of individual members. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the Company during the 12 months prior to the announcement of the offer.

In considering whether or not to apply for Open Offer Shares under the Open Offer, Eligible Shareholders should be mindful of the requirements of Rule 9 of the Takeover Code.

Dividends

There can be no assurance as to the level of any future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors, and will depend on, amongst other things, the Company's earnings, financial position, cash requirements and availability of profits. A dividend may never be paid and at present, there is no intention to pay a dividend. At present, the Company's dividend policy is that all funds available for distribution should be reinvested in the business of the Company.

Forward-looking statements

This document contains forward-looking statements relating to the Company's future prospects, developments and strategies, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. All statements, other than statements of historical facts, contained in this document, including statements regarding the Group's future financial position, business strategy and plans, business model and approach and objectives of management for future operations, are forward-looking statements. The Directors believe that the expectations reflected in these statements are based on reasonable grounds, but may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Generally, the forward-looking statements in this document use words like "anticipate", "believe", "could", "envisage", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" or the negative of those, variations or comparable expressions or similar terms, including references to assumptions. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Group which are described in this section and elsewhere in this document. Investors are urged to read this entire document carefully before making an investment decision. The forward-looking statements in this document are based on the relevant Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

It should be noted that the factors listed in this Part 2 are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Group is or may be exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates and holds its major assets. There may be additional

risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect upon the Group.

If any of the risks referred to in this Part 2 crystallise, the Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

2. RISKS RELATING TO THE GROUP'S ACTIVITIES

Financial position

Following the failure of the Original Placing, the Company's financial position is precarious. Significant costs and management time have been, and continue to be, expended on dealing with issues surrounding the EGM, trading issues relating to the Ordinary Shares and in arranging the Placing and Open Offer. The Company has therefore entered into the Placing arrangements to seek to ensure that funds are in place through the Placing Commitments for the maximum amount available under the Open Offer to secure the Company's financial position in the short term. However, there can be no guarantee that the Placing and Open Offer will succeed, nor that the Placing Commitments will be honoured in full or at all. In such circumstances, the Board may be faced with no alternative but to commence winding-up of the Company. See also "*Trading in the Ordinary Shares, Suspension and Restoration of Trading or delisting*" at paragraph 1 of this Part 2 of this document below.

Early stage of operations

The Group's operations are at an early stage of development and future success will depend on the Directors' ability to successfully manage the current Projects and to take advantage of further opportunities which may arise. There can be no guarantee that the Group can or will be able to, or that it will be commercially advantageous for the Group to, develop the Projects or any further projects.

Further, the Group has no assets producing positive cash flow and its ultimate success will depend on the Directors' ability to implement the Group's strategy, generate positive cash flow from economically viable projects and access capital markets. There is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. In addition, the Group will not generate any material income until such time as commercial production commences on the Projects (if it does commence, for which there can be no guarantee). In the meantime the Group will continue to expend its cash reserves and will, in due course, require additional capital and may need to raise debt or additional equity capital. See risk factor below "Future Funding Requirements".

The Group's projects have limited operating history, upon which to base estimates of future cash operating costs. For early stage projects, estimates of proven, probable and possible reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data and feasibility studies which derive estimates of cash operating costs based upon anticipated recoveries, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns may differ materially from those estimated.

General exploration and production risks

The business of exploration for, and development and exploitation of, oil and other natural resources is speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate.

The operations of the Group may be disrupted, curtailed, delayed or cancelled by a variety of risks and hazards which are beyond the control of the Group, including unusual or unexpected geological formations, formation pressures, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, mechanical difficulties, equipment shortages, labour disputes, fires, explosions, power outages, rock falls, landslides, flooding and extended interruptions due to inclement or hazardous weather conditions and other acts of God. Any one of these risks and hazards could result in work stoppages, damage to, or destruction of, the Group's facilities, personal injury, damage to life or property, environmental damage or pollution, business interruption, monetary losses and possible legal liability which could have a material adverse impact on the business, operations and financial performance

of the Group. Although precautions to minimise risk are taken, even a combination of careful evaluation, experience and knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

The hydrocarbons deposits of any projects acquired, or invested in, by the Group may not contain economically recoverable volumes of minerals of sufficient quality and even if there are economically recoverable deposits, delays in the construction and commissioning of projects or other technical difficulties may make the deposits difficult to exploit. Furthermore, there is no assurance that exploration will lead to commercial discoveries or, if there is a commercial discovery, that such reserves will be realisable. Delays in the construction and commissioning of projects or other technical difficulties may result in the current or future plans of the Group being delayed or further capital expenditure being required. If the Group fails to meet its work and/or expenditure obligations, the rights granted therein may be forfeited and the Group may be liable to pay large sums, which could jeopardise its ability to continue operations.

Ability to exploit successful discoveries

It is possible that the Group may not be able to exploit commercially viable discoveries in which it holds an interest. Exploitation may require external approvals or consents from relevant authorities and the granting of these approvals and consents is beyond the Group's control. The granting of such approvals and consents may be withheld for lengthy periods, not given at all, or granted subject to the satisfaction of certain conditions which the project in which the Company may have invested cannot meet. As a result of such delays, the Group may incur additional costs, losses of revenue or part or all of its equity in a licence or production sharing agreement in which the Group has an interest.

Reserve and resource estimates

The estimating of reserves and resources is a subjective process and the accuracy of reserve and resource estimates is a function of the quantity and quality of available data and the assumptions used and the judgments made in interpreting geological information. There is significant uncertainty in any reserve or resource estimate and the actual deposits encountered and the economic viability of the deposits may differ materially from the Group's estimates. There can be no assurances that the reserves or resources are present, will be recovered or that they can be brought into profitable production. Reserves and resources estimates may require revisions based on results of drilling, testing and actual production experience. Market price fluctuations, increased production costs, reduced recovery rates or other factors could render remaining reserves uneconomical or unprofitable to recover and may ultimately result in a restatement of reserves. Unless stated otherwise the estimates of reserves and resources in this document are taken from the CPR. The reserves and resources data contained in this document have been certified by the Competent Person unless stated otherwise. The reserves and resources data in this document and the CPR are estimates only and should not be construed as representing exact quantities.

The estimates may prove to be incorrect and prospective investors should not place reliance on the forward looking statements contained in such reports (including data that has been expressed to have been certified by the relevant competent persons or otherwise) concerning the Group's reserves and resources or production levels.

Farm-out and joint venture partners

The Group's success in developing its assets will depend materially upon the cooperation of its partners in carrying out the Group's obligations under its contracts and the performance by those partners of their obligations under those contracts. The failure to work cooperatively with its partners, and the failure by partners to perform their obligations, could curtail exploration, development and production activities and be detrimental to the Group's business.

In developing the Group's assets, the Group will engage in joint activities with its partners, including exploration, development, production and transportation. As a result, the Group will not have complete independent decision-making authority for the development of its assets and will rely on its partners in making important decisions. In addition, there may be circumstances in which the Group's partners control or manage important aspects of a project. As a result, the Group will be relying on its partners for material

contributions to the development of its assets. Should the Group's relationship with any of its partners be terminated or should the Company's partners be unable or fail to meet their responsibilities, or if the Group is unable to effectively work together with its partners, its success and profitability may be adversely affected. In addition, its partners may have economic or other interests which are inconsistent with the Group's interests, or they may obstruct the Group's plans, or they may propose alternative plans. If such partners are in a position to take or influence actions contrary to the Group's interests and plans, this may affect the ability of the Group to implement its strategies.

In addition, there is a risk of disputes between the Group and its partners who have an interest in the asset or entity in question. Any litigation or arbitration resulting from any such disputes may increase the Group's expenses and distract the board of Directors from focusing its time to fulfil the strategy of the Group. The Group may also, in certain circumstances, be liable for the actions of such third parties.

As a result of the Group's cost-sharing arrangements with its partners, the Group may bear the full exploration investment cost for its assets. Bearing such costs would have a material adverse effect on the Group's business and operating results and, depending on their frequency and magnitude, could threaten the survival of the Group. If required in these circumstances, the Group cannot assure investors that it would have or that it would be able to obtain the capital necessary to fund its partners' share of the operating costs for the Projects.

As at the date of this document, the Company had not announced a farm-out or joint venture for the Projects for which the Company is currently inviting interest. Should the Company not allocate funds towards the minimum work programmes, then there is a risk that the Group will lose its interests in the Projects.

Government approval may be required for farm-out transactions and negotiations with the relevant governments could delay exploration or development programmes or negatively impact the existing economics on a given Project.

Title matters

The Group has the right to explore its assets in Belize and Denmark and, to the best of its knowledge, those rights are in good standing; however, this right is dependent on both the Group meeting its obligations under its contracts in relation to assets and the Group's partners meeting their obligations under their licences and/or contracts with the applicable governments or governmental authorities in relation to the Projects, and the failure of the Group or its partners to perform their obligations could result in the applicable exploration and development licences and/or agreements being revoked or suspended. Furthermore, in any event, no assurance can be given that applicable governments will not revoke, or significantly alter the conditions of, the applicable exploration and development authorisations and that such exploration and development authorisations will not be challenged or impugned by third parties. There is no certainty that such rights or additional rights applied for or re-applied for will be granted or renewed on terms satisfactory to the Group. There can be no assurances that claims by third parties against the Group's assets or other rights will not be asserted at a future date.

Limited diversification

Generally, risk can be reduced through diversification. Diversification is maximised by drilling a large number of wells over a large area of prospects having different geological characteristics. The Group anticipates drilling a limited number of wells in a relatively limited area. The drilling and development programme, therefore, will have only a limited amount of diversification with a correspondingly higher degree of risk for investors. This diversification will be further limited should the number of prospects and/or regions being drilled be decreased.

Participating interest under the Blue Creek PSA, Danica Jutland Licences and Danica Resources Licence 1/08

Pursuant to the terms of the Blue Creek FOA, NWOG Belize has earned a 100 per cent. participating interest in the Blue Creek PSA and pursuant to the terms of the Danica Jutland FOAs and Danica Resources FOA, NWOG Jutland or NWOG Resources (as the case may be) may earn up to a 80 per cent. participating interest

in the Danica Jutland Licences or the Danica Resources Licence 1/08 (as the case may be) (the remaining 20 per cent. participating interest being held by DNSF). Under the terms of the Blue Creek FOA, the Danica Jutland FOAs and the Danica Resources FOA, NWOG Belize, NWOG Jutland or NWOG Resources (as the case may be) will be required to pay a 5 per cent. overriding royalty interest to BCE under the Blue Creek FOA, DJ ApS under the Danica Jutland FOAs and DR ApS under the Danica Resources FOA on the proceeds of all hydrocarbons produced under these agreements. NWOG Belize will also be required, pursuant to the terms of the Blue Creek PSA, to pay to the Belizean Government a royalty, equal to 10 per cent. of the value of annual gross production of crude oil produced and saved in each calendar year and not used or consumed in petroleum operations, and a royalty, payable quarterly, equal to 7.5 per cent. of the value of the annual gross production of natural gas produced, saved and sold in each calendar year and not so used or consumed (subject to the production sharing arrangements outlined below). Therefore, the effective maximum interest of NWOG Belize under the Blue Creek PSA will be a 85 per cent. for crude oil produced and 87.5 per cent. for natural gas and the effective maximum interest of NWOG Jutland or NWOG Resources under the Danica Jutland Licences or Danica Resources Licence 1/08 will be a 75 per cent. interest. NWOG Belize, NWOG Jutland and NWOG Resources will also be responsible for the associated costs incurred in relation to the production of hydrocarbons in accordance with the terms of the Blue Creek PSA, the Danica Jutland Licences and the Danica Resources Licence 1/08 and therefore the Group's total profit from any hydrocarbons produced by its Projects and sold to third parties, may be significantly reduced.

In particular, NWOG Belize is required to drill a third exploration well if warranted and to evaluate the results of the third exploration well. NWOG Belize may need to engage in additional work and commit additional funds to satisfy the work obligations of the Blue Creek PSA to drill a third exploration well before 12 October 2015 and evaluate the results of that well in respect to the third renewal period.

Under the terms of the Blue Creek PSA, after discharging the royalty payment to the Belizean Government NWOG Belize shall be entitled to recover all petroleum operations expenditure from 100 per cent. of the petroleum produced and saved in each calendar year and by retaining and disposing of that amount of petroleum equal in value to the unrecovered petroleum operations expenditures for that calendar year plus all unrecovered petroleum operations expenditures for previous years. The remaining quantity of petroleum produced saved and not used shall be taken and disposed of separately by the Belizean Government and NWOG Belize on a sliding scale, from a minimum 11 per cent. Belizean Government production share to a maximum 35 per cent. production share. Therefore the effective maximum participating interest under the Blue Creek PSA may be reduced by up to a further 35 per cent.

The Company is seeking to find a farm-in partner(s) or joint venture partner(s) for its participating interests in the Blue Creek PSA, the Danica Jutland Project and the Danica Resources Project as well as investigating other financing alternatives. There are, however, no guarantees that the above arrangements will be in place prior to the relevant funding deadlines. Accordingly, the Company may be faced with difficult decisions, and will decide on a course of action at the appropriate time which may result in forfeiture of its participating interests in these projects together with the Company being liable for associated costs and liabilities (see discussion in following paragraphs).

Obligations under Blue Creek PSA, Danica Jutland FOAs and the Danica Resources FOA

Under the Blue Creek PSA, the Danica Jutland FOAs and the Danica Resources FOA, the Group is, or may become, subject to payment, security and other obligations. If such future obligations are not complied with when due, in addition to other remedies which may be available to other parties, this could result in the dilution or forfeiture of interests held by the Group and the Group may be liable for the associated costs of this. The Group may not have, or be able to obtain, funding for all such obligations as they arise. Notwithstanding this, the Group's liabilities under its contracts, including, future costs of decommissioning and clean up activities under its contracts, may continue despite such forfeiture. Under the Danica Jutland FOAs and Danica Resources FOA, NWOG Jutland or NWOG Resources (as the case may be) will be liable for costs in relation to a 80 per cent. participating interest in the Danica Jutland Licences and Danica Resources Licence 1/08 notwithstanding that NWOG Jutland or NWOG Resources (as the case may be) may have a lesser or no participating interest under the Danica Jutland Licences and Danica Resources Licence 1/08 at the time when these costs are incurred. Under the Blue Creek FOA, NWOG Belize as holder of a

100 per cent. participating interest will be liable for all costs. Refer also to the risk factor titled “Future Funding Requirements”.

Requirement for permits and licences

The operations of the Group require licences, permits and in some cases renewals of existing licences and permits from various governmental authorities. The Directors believe that the Group and/or its partners have the benefit of all necessary licences and permits to carry on the activities which the Group conducts or in which the Group has an interest under applicable laws and regulations and also believes that the Group is complying in all material respects with the terms of its licences and permits. However, the Group’s ability to obtain, sustain or renew such licences and permits on acceptable terms are subject to change in regulations and policies and to the discretion of the applicable governments.

Volatility in the price of oil and gas and the general economic climate

The general economic climate and market price of, and demand for, oil and gas is volatile and is affected by a variety of factors which are beyond the Group’s control. These include international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, growth in gross domestic product, supply and demand of capital, employment trends, international economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, the cost of freight, global or regional political events and international events, as well as a range of other market forces. The aggregate effect of these factors is impossible to predict. Sustained downward movements in oil and gas prices could render less economic, or wholly uneconomic, some or all of the exploration and potential future oil and gas production related activities to be undertaken by the Group.

Oil prices across the world have declined since the second half of 2014 due to a variety of factors and may continue to do so. This could have a negative impact on the Group’s ability to move forward with a commercial development, especially if the international oil prices fall below the level required to deliver a commercially viable project.

Oil and gas drilling is speculative

Drilling oil and gas wells is speculative, may be unprofitable and may result in a total loss of investment. The Group may never identify commercially exploitable deposits or successfully drill, complete or develop oil and gas reserves. Completed wells may never produce oil or gas, or may not produce sufficient quantities to be profitable or commercially viable.

Competition

The oil and gas industry is very competitive and some of the Group’s competitors have access to greater financial and technical resources which may convey to them a competitive advantage. As a result, the Group may not be able to compete effectively with these companies or gain access to future growth opportunities.

Availability of drilling, exploration and production equipment

The availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling operations in regions near the Group’s operations may reduce the availability of equipment and services to the Group. Similarly, the Group may have difficulty sourcing the exploration and production equipment it requires in the timeframe envisaged by the Group’s plans due to high global demand for such equipment. The oil and gas industry has historically experienced periods of rapid cost increases. Increases in the cost of exploration and development would affect the Group’s ability to invest in prospects and to purchase or hire equipment, supplies, services and personnel. The reduced availability of equipment and services may delay the Group’s ability to exploit any reserves and adversely affect the Group’s operations and profitability.

Dependence on key executives and personnel

The future performance of the Group will to a significant extent be dependent on its ability to retain the services and personal connections or contacts of key executives and to attract, recruit, motivate and retain

other suitably skilled, qualified and industry experienced personnel to form a high calibre management team. Such key executives are expected to play an important role in the development and growth of the Group, in particular by maintaining good business relationships with regulatory and governmental departments and essential contractors and suppliers.

Although certain key executives and personnel have entered into service agreements or letters of appointment with the Group, there can be no assurance that the Group will retain their services. The loss of the services of any of its key executives or personnel may have a material adverse effect on the business, operations, relationships and/or prospects of the Group.

Labour

Certain of the Group's operations may be carried out under potentially hazardous conditions. Whilst the Group intends to operate in accordance with relevant health and safety regulations and requirements, the Group remains susceptible to the possibility that liabilities might arise as a result of accidents or other workforce related misfortunes, some of which may be beyond the Group's control.

Shortage of labour or of skilled workers may cause delays or restrictions during exploration and development activities.

3. RISKS ASSOCIATED WITH THE NEED TO MAINTAIN AN EFFECTIVE SYSTEM OF INTERNAL CONTROLS

The Group faces risks frequently encountered by developing companies such as under-capitalisation, cash shortages and limited resources. In particular, its future prospects will depend on its ability to manage growth and to continue to maintain, expand and improve operational, financial and management information systems on a timely basis, whilst at the same time maintaining effective cost controls. Any damage to, failure of or inability to maintain, expand and upgrade effective operational, financial and management information systems and internal controls in line with the Group's growth could have a material adverse effect on the Group's business, financial condition and results of operations.

Environmental, health and safety and other regulatory standards

The projects in which the Group invests and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another and which cannot be consistently interpreted. Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. As a result, although all necessary environmental consents for the Group's activities will be obtained and the Group intends to operate in accordance with applicable petroleum industry standards of environmental practice and comply in all material respects, full compliance with applicable environmental laws and regulations may not always be ensured.

Any failure to comply with relevant environmental, health and safety and other regulatory standards may subject the Group to extensive liability, fines and/or penalties and have an adverse effect on the business and operations, financial results or financial position of the Group. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its operations. Any changes to, and increases in, current regulations or legal requirements may have a material adverse effect upon the Group in terms of additional compliance costs.

Decommissioning and abandonment

Upon cessation of any operations on any of the Projects, the Group is responsible for costs associated with abandoning infrastructure and restoring the operational sites by taking reasonable and necessary steps in accordance with generally accepted environmental practices in the international petroleum industry.

Reliance on third parties

The Group and its partners may contract with third parties for equipment and services. The failure of a third party to perform its obligations adequately could subject the Group to additional costs and delays. In addition, failure of a subcontractor to pay for its equipment and services could adversely affect the Company's profitability. If a subcontractor fails to pay for equipment and services on time, the condition of the Group's operations may suffer, the Group's profitability could be adversely affected and certain aspects of the Group's business could be subject to liens. As a result, the project in question could incur excessive costs to prevent adverse effects on the Group's operations, to satisfy such liabilities or to discharge such liens.

Retention of key business relationships

The Group will rely significantly on strategic relationships with other entities, on good relationships with regulatory and governmental departments and upon third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed, and the Group could be adversely affected by changes to such relationships or difficulties in forming new ones. Any circumstance which causes the early termination or non-renewal of one or more of these key business alliances or contracts could adversely impact the Group, its business, operating results and prospects.

Project development risks

There can be no assurance that the Group will be able to manage effectively the development and expansion of its operations or that the Group's current personnel, systems, procedures and controls will be adequate to support the Group's operations. Any failure of the Board to manage effectively the Group's growth and development could have a material adverse effect on the Group's business, financial condition and results of operations. There is no certainty that all or, indeed, any of the elements of the Group's current strategy will develop as anticipated and that the Group will be profitable.

Legal systems

Some of the countries in which the Group operates could have legal systems that are less well developed than the UK and/or Jersey. This could result in risks such as: (i) potential difficulties in obtaining effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute; (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; and (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 licences, production sharing agreements and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, production sharing agreements, licence applications 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.

Currency risk

As an international operator, the Group's business transactions may not be denominated in the same currencies. To the extent that the Group's business transactions are not denominated in the same currency, the Group is exposed to foreign currency exchange rate risk. In addition, holders of the Company's Ordinary Shares are subject to foreign currency exchange rate risk to the extent the Group's business transactions are

denominated in currencies other than pounds sterling. Fluctuations in foreign currency exchange rates may adversely affect the Company's profitability. At this time, the Group does not plan to actively hedge its foreign currency exchange rate risk.

The Company reports its results in US dollars, although some of its costs and revenues may be denominated in other currencies. This may result in additions to the Company's reported costs or reductions in the Company's reported revenues.

4. GENERAL BUSINESS RISKS RELATING TO THE GROUP

Future funding requirements

Please refer to "*Financial Position*" under paragraph 2 of this Part 2 of this document for the risk relating to the Company's precarious financial position and the risk it may have to wind-up.

In addition, the exploration for and production of oil and gas resources is a capital intensive business. The Group will need to raise additional funds in the future in order to fully develop the Projects or any new projects it may choose to invest in. The Group will need to raise additional capital by way of the issue of further Ordinary Shares and/or by way of debt financing, or through other means, to finance its anticipated future operations, its working capital or capital expenditure requirements or to make acquisitions and finance its growth through future stages of development.

Additional equity issues may have a dilutive effect on the then prevailing Shareholders and investors if they are unable or choose not to subscribe for such additional Ordinary Shares and the issue of additional Ordinary Shares by the Company, or the possibility of such an issue, may cause the market price of the Ordinary Shares to decline.

Furthermore, any debt financing, if available, may include conditions that would restrict the Group's freedom to operate its business, such as conditions that:

- limit the Group's ability to pay dividends or require it to seek consent for the payment of dividends;
- increase the Group's vulnerability to general adverse economic and industry conditions;
- require the Group to dedicate a portion of any cash flow arising from future operations to payments on its debt, thereby reducing the availability of its cash flow to fund capital expenditures, working capital and other general corporate purposes; and
- limit the Group's flexibility in planning for, or reacting to, changes in its business and its industries.

The net proceeds from the Placing and the Open Offer will primarily be utilised to continue efforts to find farm-in partners for the Projects, fund the 2015 work programme commitments for the Projects and to pursue additional interests, in particular opportunities in the oilfield enhancement space and for general working capital purposes.

There can be no guarantee or assurance that such debt funding or additional equity will be forthcoming when required, or as to the terms and price on which such funds would be available if at all. If the Group is unable to obtain additional financing as needed, or on terms that are acceptable, the scope of its operations may be reduced and, as a result, the Group may be unable to fulfil its long-term expansion programme. Failure to carry out minimum work obligations or generally to comply with undertakings in production sharing contracts, farm-in agreements or similar agreements in relation to exploration and production of fields could mean that the Group's rights to explore and produce are terminated and/or that compensation is due. In particular, the extensions granted by the Danish Energy Agency to the work programme commitment deadlines for the Danica Licences are contingent upon minimum work programmes being undertaken by specified dates.

Insurance coverage and uninsured risks

The Group insures its operations in accordance with industry practice and plans to insure the risks it considers appropriate for the Group's needs and circumstances. However, the Group may elect not to have insurance for certain risks, due to the high premium costs associated with insuring those risks or for various

other reasons, including an assessment that the risks are remote. The Company currently does not carry political risk insurance.

No assurance can be given that the Group will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any claims arising. The Group may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible. In the event that insurance coverage is not available or the Group's insurance is insufficient to fully cover any losses, claims and/or liabilities incurred, the Group's business and operations, financial results or financial position may be disrupted and adversely affected.

The payment by the Group's insurers of any insurance claims may result in increases in the premiums payable by the Group for its insurance cover and adversely affect the Group's financial performance. In the future, some or all of the Group's insurance coverage may become unavailable or prohibitively expensive.

Taxation risk

Any change in the Group's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the Company's Ordinary Shares or the investments held by the Group, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Company and its investors are based upon tax law and practice at the date of this document, which is subject to change.

Community

The Group's operations will rely not only on the support of the governments and relevant authorities in the countries in which it operates but also that of local communities. If expectations are not met at local level in relation to employment and benefits, which might include share ownership, support could be withdrawn, which could curtail the Group's operations.

Shareholder taxation

The tax consequences to each Shareholder of owning Ordinary Shares will depend, amongst other things, on tax laws in the jurisdiction in which that Shareholder is resident or domiciled. Prospective investors should consult their professional advisers on the possible tax consequences of subscribing for, buying, holding, selling or transferring Ordinary Shares under the laws of their country of citizenship, residence or domicile.

Litigation

While the Group currently has no material outstanding litigation or dispute (save as disclosed in this document), there can be no guarantee that the actions of the Group will not result in litigation and, without limitation as to the nature of any such potential claim, it is worth noting that there have been a number of cases where the rights and privileges of natural resource companies have been the subject of litigation. The petroleum industry, as with all industries, may be subject to legal claims, both with and without merit, from time to time.

In addition, since announcement of the Original Placing, there has been very significant and volatile trading in the Company's Ordinary Shares as well as significant speculation about the Company on various websites. The Company is unable to control trading in its Ordinary Shares between third parties or third party comment.

The Directors cannot preclude that litigation may be brought against the Group in the future in relation to its current Projects, any future projects or any issues surrounding the Original Placing, the EGM, the Placing and Open Offer, any further action (including any cash box placing) that may be required to achieve Restoration to Trading and trading in the Company's Ordinary Shares or interests relating thereto. Such litigation may include claims involving the Group's directors, officers, employees and advisors for which the Group may be liable.

Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Group's financial position, results or operations. The Group's business may be materially adversely affected if the Group and/or its employees or agents are found not to have met the appropriate standard of care or not exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

PART 3

TERMS AND CONDITIONS OF THE OPEN OFFER

1. INTRODUCTION

As explained in Part 1 of this document, the Company proposes to raise up to a maximum of approximately £3.5 million (before expenses) by way of an Open Offer of up to 3,888,873,028 Open Offer Shares at the Issue Price. The Clawback Shares are being placed conditionally at the Issue Price with places by Cornhill Capital, subject to clawback to satisfy valid applications by Eligible Shareholders. 3,888,873,028 of these Clawback Shares are the subject of Placing Commitments. The Company hereby invites Eligible Shareholders to apply, on and subject to the terms and conditions set out in this document and, where relevant, in the Application Form, and subject to the Company's Articles of Association, for Open Offer Shares *pro rata* to their holdings of Existing Ordinary Shares on the Record Date at the Issue Price, free from all expenses, payable in cash in full on application.

The participation of an Eligible Shareholder for its Open Offer Entitlement does not guarantee that its percentage shareholding will not be diluted from the position prior to the Placing and the Open Offer as a result of the Placing and the Open Offer.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue. The allotment and issue of the Open Offer Shares will be made upon and be subject to the terms and conditions set out in this document and, in the case of Eligible Non-CREST Shareholders, in the Application Form.

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 of the Open Offer Shares will become effective on AIM at 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015). The Placing and Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading of the Open Offer Shares is subject to the Rules of the London Stock Exchange. Accordingly, Open Offer Shares which are subscribed for under the Open Offer shall remain suspended from trading on AIM until the Restoration of Trading is effective. Whilst the Company intends the measures set out in this document to improve the settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration.

If an Eligible Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form.

A maximum number of 3,888,873,028 Open Offer Shares will be offered to Eligible Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

2. THE OPEN OFFER

Subject to the fulfilment of the terms and conditions referred to in this document and, where relevant, set out in the Application Form, Eligible Shareholders are being given the opportunity to apply for Open Offer Shares at the Issue Price *pro rata* to their holdings of Existing Ordinary Shares on the Record Date, free of expenses, payable in full in cash on application, on the basis of:

5.534 Open Offer Shares for each Existing Ordinary Share

registered in the name of each Eligible Shareholder at the Record Date. Eligible Shareholders may apply for more or less Open Offer Shares than they are entitled to under the Open Offer and applications for Open Offer Shares up to each Eligible Shareholder's Open Offer Entitlement which satisfy the terms and conditions of this document, and where relevant, the Application Form, will be met in full.

The total consideration under the Open Offer shall be less than €5 million (or an equivalent amount) in aggregate so that the Company is not required to prepare a prospectus in connection with the Open Offer for the purposes of the Prospectus Rules published by the FCA. To the extent that applications received from Eligible Shareholders reach or exceed €5 million in aggregate, excess applications shall be scaled-back at the absolute discretion of the Company (but to an amount which is not less than the relevant Eligible Shareholder's Open Offer Entitlement). Any monies received from an applicant in excess of the amount due because applications have been scaled-back will be returned to the applicant without interest at the applicant's sole risk.

Holdings of Ordinary Shares in 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 allotted, each Eligible Shareholder's entitlement being rounded down to the nearest whole number. 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 Shares representing your Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

In considering whether or not to apply for Open Offer Shares under the Open Offer, Eligible Shareholders should be mindful of the requirements of Rule 9 of the Takeover Code.

If you are an Eligible Non-CREST Shareholder you will have received an Application Form with this document and you should refer to paragraph 4(i) and paragraphs 5 to 11 of this Part 3.

If you hold your Existing Ordinary Shares in CREST you will have received a credit of your Open Offer Entitlements to your CREST stock account and you should refer to paragraph 4(ii) and paragraphs 5 to 11 of this Part 3 and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer is not subject to a minimum subscription by individual Eligible Shareholders or a minimum aggregate subscription amount.

The Open Offer is not a rights issue. Eligible CREST Shareholders should note that although the 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 Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Eligible Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded or transferred. Eligible Non-CREST Shareholders should note that applications may only be made on the Application Form and may only be made by the Eligible Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer. Eligible Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for under the Open Offer will not be sold in the market or placed for the benefit of Eligible Shareholders who do not apply under the Open Offer.

The Existing Ordinary Shares have been suspended from trading on AIM since 19 May 2015. The Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading of the Existing Ordinary Shares and the Open Offer Shares is subject to the Rules of the London Stock Exchange. Accordingly, Open Offer Shares which are subscribed for under the Open Offer shall remain suspended from trading on AIM until the Restoration of Trading is effective. Whilst the Company intends the measures set out in this document to improve the settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission of the Open Offer Shares will become effective by 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015).

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the Open Offer Shares; all of such Open Offer Shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Open Offer Entitlements to be admitted to CREST. The conditions to such admission having already been met, the Open Offer Entitlements are expected to be admitted to CREST with effect from 12 June 2015.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, 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.

3. CONDITIONS OF THE OPEN OFFER

The Placing and Open Offer is conditional, amongst other things, upon Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015). Accordingly, if this condition is not satisfied, or the other conditions are not satisfied or if applicable waived, the Open Offer will not proceed.

Further terms and conditions of the Open Offer are set out in this document and, where appropriate, in the Application Form.

4. PROCEDURE FOR APPLICATION AND PAYMENT

The action to be taken by an Eligible Shareholder in respect of the Open Offer depends on whether, at the relevant time, an Eligible Shareholder has an Application Form in respect of his entitlement under the Open Offer or Open Offer Shares representing his Open Offer Entitlements credited to his CREST stock account in respect of such entitlement.

Eligible Shareholders who hold their Existing Ordinary Shares in certificated form will be allotted Open Offer Shares in certificated form. Eligible Shareholders who hold all or part of their Existing Ordinary Shares in uncertificated form 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. However, it will be possible for Eligible Shareholders to deposit entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4(ii)(e) of this Part 3.

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 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.

The Company reserves the right to extend the closing time of the Open Offer from 11.00 a.m. on 6 July 2015. In this event, the revised closing time will be published in such manner as the Company determines.

Eligible Shareholders who do not want to take up or apply for Open Offer Shares under the Open Offer should take no action and, where appropriate, should not complete or return the Application Form.

i. ***If you have an Application Form in respect of your entitlement under the Open Offer***

a. ***General***

Eligible Non-CREST Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows the number of Open Offer Shares comprising your Open Offer Entitlement. You may apply for more or less Open Offer Shares than your Open

Offer Entitlement should you wish to do so. Subject to the terms and conditions set out in this document and in the Application Form, applications for Open Offer Shares up to each Eligible Non-CREST Shareholder's Open Offer Entitlement will be met in full. The total number of Open Offer Shares is fixed and will not be increased in response to any applications in excess of an Eligible Shareholder's Open Offer Entitlement.

The instructions and other terms set out in the Application Form part of the terms of the Open Offer.

b. *Market claims*

Applications may only be made on the Application Form and may only be made by the Eligible Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange on 11 June 2015. Application Forms may be split up to 3.00 p.m. on 2 July 2015. The Application Form is not a negotiable document and cannot be separately traded. An Eligible Non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer by the London Stock Exchange, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee from his counterparty. Eligible Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete **Box J** on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the United States, Australia, Canada, Japan or the Republic of South Africa.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph ii(e) below.

c. *Application procedures*

If you are an Eligible Non-CREST Shareholder and wish to apply for all, some or more than your entitlement to Open Offer Shares under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance, by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom, or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom (during normal business hours only), telephone number 0870 707 4040 so as to arrive no later than 11.00 a.m. on 6 July 2015. A reply paid envelope is enclosed for use by Eligible Non-CREST Shareholders in connection with the Open Offer.

Please note that the Registrar cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to Open Offer Shares under the Open Offer. If any Application Form is sent by first class post within the United Kingdom, Eligible Non-CREST Shareholders are recommended to allow at least four business days for delivery. The Company may, in its absolute discretion, elect to accept Application Forms and remittances received after that date. The Company may, in its sole discretion, elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

d. *Payments*

All payments must be in pounds sterling and cheques or banker's drafts should be made payable to "CIS plc re: New World Oil and Gas plc– Open Offer" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on an account at a branch or a bank or building society in the United Kingdom, the Channel Islands or the Isle of Man which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which is a member of either of the Committees of Scottish or Belfast clearing houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct Computershare Investor Services (Jersey) Limited (in its capacity as registrar to the Company) to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured.

Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015), the Open Offer will lapse and application monies will be returned by post to applicants, at the applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

e. *Effect of application*

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.

By completing and delivering an Application Form, the applicant gives the representations, warranties, covenants, agreements and acknowledgments set out in Schedule 1.

If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in any doubt as to whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Eligible Non-CREST Shareholders under the Open Offer should be addressed to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom, telephone 0870 707 4040. Please note that Computershare cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement.

ii. *If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer*a. *General*

Save as provided in paragraph 7 of Part 3 of this document in relation to certain Overseas Shareholders, each Eligible CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements.

The CREST stock account to be credited will be an account under the Participant ID and Member Account ID that apply to the Existing Ordinary Shares held on the Record Date by the

Eligible CREST Shareholder in respect of which the 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 Eligible CREST Shareholders cannot be credited by, 3.00 p.m. on 12 June 2015 or such later time as the Company may decide, an Application Form will be sent out to each Eligible CREST Shareholder in substitution for the 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 Eligible Non-CREST Shareholders with Application Forms will apply to Eligible CREST Shareholders who receive Application Forms.

CREST members who wish to apply for some, all or more than their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare Investor Services Plc on 0870 707 4040. 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.

b. *Market claims*

The Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of the Open Offer Entitlements may only be made by the Eligible 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 Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlements will thereafter be transferred accordingly.

c. *USE instructions*

CREST members who wish to apply for Open Offer Shares in respect of some or all of their than Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- i. the crediting of a stock account of the Registrar under the Participant ID and Member Account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- ii. the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Registrar 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 referred to in (i) above.

d. *Content of USE instructions*

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 the Open Offer Entitlement(s) being delivered to the Registrar);
- ii. the ISIN of the Open Offer Entitlement. This is JE00BYMT3S13;
- iii. the CREST Participant ID of the accepting CREST member;
- iv. the CREST Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

- v. the Participant ID of the Registrar, in its capacity as a CREST receiving agent. This is 3RA51;
- vi. the Member Account ID of the Registrar, in its capacity as a CREST receiving agent. This is NEWWORLD;
- vii. the amount payable by means of a CREST payment on settlement of the USE instruction. This 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. This must be on or before 11.00 a.m. on 6 July 2015; and
- ix. the Corporate Action Number for the Open Offer. This 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 6 July 2015.

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:

- (A) a contact name and telephone number (in the free format shared note field); and
- (B) 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 6 July 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrar will refund the amount paid by an Eligible CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

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

An Eligible Non-CREST Shareholder's Open Offer 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 Eligible 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 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, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing so to deposit the entitlement 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 following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 6 July 2015.

In particular, having regard to normal processing times in CREST and on the part of the Registrar, 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 1 July 2015, and the recommended latest time for receipt by Euroclear of a

dematerialised instruction requesting withdrawal of the Open Offer Entitlements from CREST is 4.30 p.m. on 30 June 2015, in either case so as to enable the person acquiring or (as appropriate) holding the 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 prior to 11.00 a.m. on 6 July 2015.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Eligible 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 the United States, Australia, Canada, Japan or the Republic of South Africa 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.

f. *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 6 July 2015 will constitute a valid application under the Open Offer.

g. *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 6 July 2015. 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.

h. *Incorrect or incomplete applications*

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

- i. to reject the application in full and refund the payment to the CREST member in question (without interest);
- 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).

i. *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. give the representations, warranties, covenants, agreements and acknowledgments set out in Schedule 1;

- ii. 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 Registrars 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); and
 - iii. 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 memorandum of association of the Company and the Articles of Association.
- j. *Company's discretion as to the 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 comply in all respects with the requirements as to validity set out or referred to in this Part 3;
 - 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 Registrar have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) 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.

5. MONEY LAUNDERING REGULATIONS

i. *Holders of Application Forms*

To ensure compliance with the Money Laundering Regulations, the Registrar may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements"). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Registrar. In such case, the lodging agent's stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the "acceptor"), including any person who appears to the Registrar to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares

as is referred to therein (for the purposes of this paragraph 5, the “relevant Open Offer Shares”) and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Registrar may require to satisfy the verification of identity requirements.

If the Registrar determines that the verification of identity requirements apply to any acceptor or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Registrar is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Registrar nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity and address within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Registrar has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptor’s risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn.

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Receiving Agent, the Company and Cornhill Capital from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- a. if the applicant is an organisation required to comply with the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or
- b. if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- c. if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name.

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- d. if payment is made by cheque or banker’s draft in sterling drawn on a branch in the British Isles of a bank or building society which bears a UK bank sort code number in the top right hand corner, the following applies. Cheques should be made payable to “CIS plc re: New World Oil and Gas Plc — Open Offer” in respect of an application by an Eligible Shareholder and crossed “A/C Payee Only” in each case. Third party cheques will not be accepted with the exception of building society cheques or bankers’ drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/bankers’ draft to such effect. The account name should be the same as that shown on the Application Form; or
- e. if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 5(i)(a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, the Russian Federation, Singapore, The Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the US and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the

Application Form, written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrar. If the agent is not such an organisation, it should contact the Registrar by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH, United Kingdom, or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom (during normal business hours only) or by telephone (telephone number 0870 707 4040).

To confirm the acceptability of any written assurance referred to in paragraph 5(i)(e) above, or in any other case, the acceptor should contact the Registrar on 0870 707 4040 or if you are calling from outside the UK on +44 (0)870 707 4040. Calls to the 0870 707 4040 number from landline providers typically cost up to 12 pence per minute. From mobile networks calls cost between 5 pence and 40 pence per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays).

The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

If the Application Form(s) is/are in respect of Open Offer Shares with an aggregate subscription price of €15,000 (approximately £11,718) or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of Open Offer Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and separate evidence of his address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 6 July 2015, the Registrar has not received evidence satisfactory to it as aforesaid, the Registrar may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the applicant (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

ii. ***Open Offer Entitlements***

If you hold your Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Registrar 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 Registrar 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 Registrar such information as may be specified by the Registrar as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Registrar as to identity, the Registrar 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 failure to provide satisfactory evidence.

6. TAXATION

A. UK Tax Considerations

The following summary is intended as a general guide for individuals and companies that are resident in the United Kingdom (UK) for UK tax purposes and who hold Ordinary Shares as investments (rather than as dealing stock). Special rules apply to UK resident individuals who are not domiciled in the UK; those rules are not described in this summary. The summary is based upon existing tax legislation and current HM Revenue and Customs published practice, both of which are subject to change at any time, possibly with retrospective effect.

The statements apply only to persons who:

- a. are the absolute owner (i.e. legal and beneficial owner) of the Ordinary Shares (and the shares are not held through a new individual savings account or a self-invested personal pension); and
- b. have not (and are deemed not to have) acquired their shares by virtue of an office or employment (whether current, historic, or prospective), and are not officers or employees of any member of the Group.

These statements may not apply to certain classes of investors who are subject to different tax rules. Such persons may include, but are not limited to, dealers in securities, insurance companies, collective investment schemes and Shareholders who are exempt from UK taxation.

Eligible Shareholders should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

The statements below do not constitute advice to any person.

i. *Tax residence of the Company*

The Company is incorporated outside the UK and it is the intention of the Directors to conduct the affairs of the Company such that the central management and control of the Company is not in the UK and so that the Company does not carry out any business in the UK. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a branch, agency or permanent establishment situated there), the Company should not be UK tax resident or subject to UK income tax or corporation tax other than on any UK sourced income.

ii. *Taxation of Dividends*

a. *Individuals*

An individual shareholder who is resident in the UK (for UK tax purposes) and who receives a dividend from the Company in respect of their Ordinary Shares may be entitled to a tax credit which the shareholder may set off against their income tax liability on the dividend if the shareholder owns less than 10% of the issued share capital of the Company (or the class of share capital in respect of which the distribution is made). The tax credit will be equal to 10% of the aggregate of the cash dividend and the tax credit (the “gross dividend”), which is also equal to one-ninth of the cash dividend received.

A UK resident individual shareholder who is liable to income tax at the basic rate will be subject to tax on the dividend at the rate of 10% of the gross dividend, so that the tax credit (if available) will satisfy in full such shareholder’s liability to income tax on the dividend.

A UK resident individual shareholder who is liable to income tax at the higher rate will be liable to tax on the gross dividend at the rate of 32.5%. The gross dividend will be regarded as the top slice of the shareholder’s income. After taking into account the 10% tax credit (if available), a higher rate tax payer will have to account for additional tax equal to 22.5% of the gross dividend (which is also equal to 25% of the net cash dividend received).

A UK resident individual shareholder who is liable to tax at the “additional” rate will be liable to tax on the gross dividend at the rate of 37.5%. An individual paying “additional” rate income tax will have to account, after taking into account the 10% tax credit (if available), for tax equal to 27.5% of the gross dividend (which is also equal to approximately 30.6% of the net cash dividend received).

It will not be possible for UK resident shareholders to claim repayment of the tax credit in respect of dividends.

b. *Companies*

UK resident corporate Shareholders may be liable to corporation tax on dividends from the Company depending upon whether or not they are treated as a “small company” for the purposes of the UK taxation of dividends legislation. Small companies will be liable to corporation tax on dividends from the Company. Companies which are not small should not be liable to corporation tax on the receipt of a dividend provided the dividend falls within an exempt class and certain conditions are met. The exemptions are not comprehensive and are subject to anti-avoidance rules. If the conditions for exemption are not, or cease to be, satisfied, or such a Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received from the Company. Corporation tax is charged on dividends at the rate applicable to that company.

Corporate Shareholders are recommended to consult, and rely upon, the advice of their own professional advisers in relation to dividend income from the Company.

c. *Withholding Tax*

The Company will not be required to make any deduction from any dividend on account of UK taxation.

d. *Capital Gains Tax*

The published practice of HMRC to date has been to treat an acquisition of shares by an existing shareholder up to its *pro rata* entitlement pursuant to the terms of an open offer as a reorganisation but it is understood that HMRC may not apply this practice in circumstances where an open offer is not made to all shareholders.

To the extent that the acquisition of Open Offer Shares under the Open Offer is regarded as a reorganisation, the Open Offer Shares acquired by each Eligible Shareholder under the Open Offer and the Existing Ordinary Shares in respect of which they are issued will, for the purposes of UK taxation of chargeable gains, be treated as the same asset and as having been acquired at the same time. The amount paid for the Open Offer Shares will be added to the base cost of the Existing Ordinary Shares when computing any gain or loss on any subsequent disposal.

If the acquisition of Open Offer Shares by Eligible Shareholders up to their *pro rata* entitlement pursuant to the Open Offer is not regarded as a reorganisation, those Open Offer Shares would, for the purposes of UK taxation of chargeable gains, be treated as acquired as part of a separate acquisition of Ordinary Shares.

iii. ***Certain other provisions of UK tax legislation***

i. *Section 13 Taxation of Chargeable Gains Act 1992 — Deemed Gains*

The attention of Shareholders who are resident in the United Kingdom for tax purposes are drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992. This provides that for so long as the Company is a close company, Shareholders could (depending on individual circumstances) be liable to UK capital gains taxation on their *pro rata* share of any capital gain accruing to the Company (or, in certain circumstances, to a subsidiary or investee company of the Company). Shareholders should consult their own independent professional advisers as to their UK tax position.

ii. *“Controlled Foreign Companies” Provisions — Deemed Income of Corporates*

If the Company were at any time to be controlled, for UK tax purposes, by persons (of any type) resident in the United Kingdom for tax purposes, the “controlled foreign companies” provisions in Part 9A of Taxation (International and Other Provisions) Act 2010 could apply to UK resident corporate Shareholders. Under these provisions, part of any “chargeable profits” accruing to the Company (or in certain circumstances to a subsidiary or investee company of the Company) may be attributed to such a Shareholder and may in certain circumstances be chargeable to U.K. corporation tax in the hands of the Shareholder. The Controlled Foreign Companies provisions are complex, and prospective investors should consult their own independent professional advisers.

iii. *Chapter 2 of Part 13 of the Income Tax Act 2007 — Deemed Income of Individuals*

The attention of Shareholders who are individuals resident in the United Kingdom for tax purposes is drawn to the provisions set out in Chapter 2 of Part 13 of the UK Income Tax Act 2007, which may render those individuals liable to UK income tax in respect of undistributed income (but not capital gains) of the Company.

iv. *Stamp duty*

No UK stamp duty or stamp duty reserve tax (SDRT) should be payable on the issue of the Open Offer Shares. No UK stamp duty should be payable on the transfer of the Open Offer Shares provided that any instrument of transfer is not executed in the UK and does not relate to any property situate, or to any matter or thing done or to be done, in the UK. Provided that the Open Offer Shares are not registered in any register maintained in the UK by or on behalf of the Company and are not paired with any shares issued by a UK incorporated company no charge to SDRT should arise on any agreement to transfer those shares.

Eligible Shareholders who are in any doubt as to their tax position in subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence, should consult their independent professional adviser immediately.

B. Jersey Tax Considerations

The following summary of the anticipated treatment of the Company and Shareholders is based on Jersey taxation law and practice as it is understood to apply at the date of this document. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as it applies to any land or building situated in Jersey). Prospective investors in the Ordinary Shares should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of Ordinary Shares under the laws of any jurisdiction in which they may be liable to taxation.

i. *Taxation of the Company*

The Company is regarded as resident for tax purposes in Jersey and is subject to income tax in Jersey at a current rate of zero per cent.

ii. *Holders of Shares*

Dividends on Ordinary Shares may be paid by the Company without withholding or deduction for or on account of Jersey income tax and Shareholders will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Ordinary Shares. The attention of any holder of Ordinary Shares who is resident in Jersey is drawn to the provisions of Article 134A of the Income Tax (Jersey) Law 1961, as amended, which may in certain circumstances render such a resident liable to Jersey income tax on undistributed income or profits of the Company.

iii. ***Goods and Services Tax***

Jersey has introduced a tax on goods and services supplied in the Island (“GST”). On the basis that the Company has obtained international services entity status, GST is not chargeable on supplies of goods and/or services made by the Company. The Directors intend to conduct the business of the Company such that no GST will be incurred by the Company.

iv. ***Stamp Duty***

In Jersey, no stamp duty is levied on the issue or transfer of the Ordinary Shares (unless there is any element of Jersey residential property being transferred, in which case a land transaction tax may apply pursuant to the Taxation (Land Transactions) (Jersey) Law 2009) except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer Ordinary Shares on the death of a Shareholder. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situated in respect of a Shareholder domiciled in Jersey, or situated in Jersey in respect of a Shareholder domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75 per cent of such estate (although the total duty payable may not exceed £100,000). The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional adviser.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there otherwise estate duties.

v. ***EU Savings Tax Directive***

Although not a Member State of the European Union, Jersey, in common with certain other jurisdictions, entered into bilateral agreements with EU Member States on the taxation of savings income. On 1 July 2005, agreements on the taxation of savings income which were entered into between Jersey and each of the European Union (“EU”) Member States came into effect. These agreements provided the same provisions as the EU Savings Tax Directive and required, in certain circumstances, the retention of tax from payments made by certain Jersey collective investment vehicles prior to 1 January 2015 to EU resident individuals.

The operation of the Jersey regulations that gave effect to the EU Savings Tax Directive have been amended to remove the retention tax option in respect of interest payments made from 1 January 2015 onwards to beneficial owners resident in an EU member state and Jersey paying agents must instead report all such interest payments to the Comptroller of Taxes.

Where the Company has appointed a paying agent located outside Jersey, the Company is not required to make any disclosures or levy retention tax. However, the rules applicable in the jurisdiction where the paying agent is located will apply.

The requirements in respect of information disclosure or retention tax will not apply to payments made to companies, partnerships or to most types of trusts, nor will they apply to individuals who are resident outside the EU.

Other Tax Considerations

This document does not constitute legal or tax advice regarding tax law and practice.

Eligible Shareholders should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

7. OVERSEAS SHAREHOLDERS

The making of the Open Offer to persons resident in, or who are citizens of, or who have a registered address in, countries other than the Relevant Jurisdictions may be affected by the law or regulatory requirements of

the relevant jurisdiction. The comments set out in this paragraph 7 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.

i. **General**

The distribution of this document and, where appropriate, the Application Form and the making 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 in the Relevant Jurisdictions or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the Relevant Jurisdictions may be affected by the laws or regulatory requirements of such 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.

No action has been or will be taken by the Company or the Advisers 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) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required. The Company has received Pre-emption Waivers in respect of the Open Offer from certain of the Eligible Shareholders resident outside the UK, Jersey, the Republic of Ireland and France. Accordingly, subject to any relevant exemptions, this document is not being sent to any Eligible Shareholders outside such jurisdictions.

Receipt of this document and/or an Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in any jurisdiction in which it may be illegal to make such an invitation or offer including, without limitation, and subject to certain exemptions, the United States, Canada, the Republic of South Africa, Australia or Japan or any other jurisdiction outside the UK, Jersey, the Republic of Ireland and France (each, a “**Restricted Jurisdiction**”) and, in those circumstances, and subject to certain exemptions, this document and/or the Application Form must be treated as sent for information purposes only and should not be copied or redistributed. This document and/or the Application Form must not be copied or redistributed in the Republic of Ireland.

Due to restrictions under the securities laws of the Restricted Jurisdictions and certain commercial considerations, Application Forms will not be sent to, and Open Offer Entitlements will not be credited to stock accounts in CREST of, Overseas Shareholders who are resident in, or who are citizens of, or who have a registered address in, a Restricted Jurisdiction, or their agents or intermediaries, except where the Company is satisfied, at its sole and absolute discretion, that such action would not result in the contravention of any registration or other legal requirement in the relevant jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the Relevant Jurisdictions may treat the same as constituting an invitation or offer to him, nor should he in any event use any such Application Form and/or credit of 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 and such Application Form and/or credit of 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 purposes only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside of the Relevant Jurisdictions wishing to apply for Open Offer Shares under the Open Offer to satisfy himself 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.

None of the Company or any of the Advisers nor any of their respective representatives is making any representation to any offeree or purchaser of 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 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 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 to a stock account in CREST is received by any person in any such territory, or by his custodian, agent, nominee or trustee, he must not seek to apply for Open Offer Shares unless the Company and Cornhill Capital determine 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 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 3 (Terms and conditions of the Open Offer) and specifically the contents of this paragraph 7.

Subject to paragraphs 7(ii) to 7(vii) below, any person (including, without limitation, custodians, agents, nominees and trustees) outside the Relevant Jurisdictions wishing to apply for Open Offer Shares must satisfy himself as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and pay any issue, transfer or other taxes due in such territories.

The Company reserves the right 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 despatched by an Overseas Shareholder who is resident in, or who is a citizen of, or who has a registered address in, a Restricted Jurisdiction or on behalf of such a person by their agent or intermediary 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 certificate(s) for Open Offer Shares or, in the case of a credit of Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in a Restricted Jurisdiction in which it would be unlawful to deliver such share certificate(s) or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 7(ii) to 7(vii) below. Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any Eligible Shareholder who is resident in, or who is a citizen of, or who has a registered address in, a Restricted Jurisdiction to apply for Open Offer Shares 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 bankers' drafts or where such an Overseas Shareholder is an Eligible CREST Shareholder, through CREST.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or the Republic of Ireland or France 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 Restricted Jurisdiction 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 Restricted Jurisdiction except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction or the Republic of Ireland or France. Receipt of this document and/or an Application Form and/or a credit of 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 purposes only and should not be copied or redistributed.

ii. *United States*

Subject to certain exceptions, this document is intended for use only in connection with offers of Open Offer Shares outside the United States and neither this document nor any Application Form is to be sent or given to any person within the United States except as permitted by applicable law. The Open Offer Shares offered hereby are not being and will not be registered under the US Securities Act or securities laws of any US state or jurisdiction and will not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and such other applicable laws.

Subject to certain exceptions, the Open Offer Shares will be distributed, offered or sold, as the case may be, outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the US Securities Act and, if relevant, inside the United States under Section 4(a)(2) of the US Securities Act, Reg. D or Rule 801.

Each person to which the Open Offer Shares are distributed, offered or sold outside the United States will be deemed by its subscription for the Open Offer Shares to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing the Open Offer Shares, as the case may be, that:

- a. it is acquiring the Open Offer Shares from the Company in an “offshore transaction” as defined in Regulation S under the US Securities Act; and
- b. the Open Offer Shares have not been offered to it by the Company or Cornhill Capital by means of any “directed selling efforts” as defined in Regulation S under the US Securities Act.

If relevant, each person to which the Open Offer Shares are distributed, offered or sold inside the United States will be deemed by its subscription for the Open Offer Shares to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing the Open Offer Shares, as the case may be, that, to the extent such person is an entity, that person is an “Accredited Investor” as defined by the rules and regulations of the US Securities Act with a certification and support provided to the Company satisfactory to the Company in its sole discretion, or, if that person is a natural person, that he or she has provided documentation to the Company satisfactory to the Company in its sole discretion, is an “Accredited Investor” and is:

- a. a director, executive officer or (if applicable) general partner of the Company, or (if applicable) any director, executive officer, or general partner of a general partner of the Company; or
- b. a natural person whose individual net worth, or joint net worth with that person’s spouse exceeds US\$1,000,000 (for purposes of calculating net worth: (A) the natural person’s primary residence shall not be included as an asset; (B) indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (C) indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability); or
- c. a natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of US\$300,000 in each

of those years and has a reasonable expectation of reaching the same income level in the current year.

Each subscriber acknowledges that the Company and Cornhill Capital will rely upon the truth and accuracy of the foregoing representations and agreements, and agrees that if any of the representations and agreements and any supporting documentation provided satisfactory to the Company in its sole discretion deemed to have been made by such subscriber or purchaser by its subscription for the Open Offer Shares, as the case may be, are no longer accurate, it shall promptly notify the Company and Cornhill Capital. If such subscriber is subscribing for the Open Offer Shares as a fiduciary or agent for one or more investor accounts, each subscriber or purchaser represents that it has sole investment discretion with respect to each such account and full power to make the foregoing representations and agreements on behalf of each such account.

Each subscriber acknowledges that it will not resell the Open Offer Shares without registration or an available exemption or safe harbour from registration under the US Securities Act.

iii. ***Canada***

This document is not, and is not to be construed as, a prospectus, an advertisement or a public offering of securities in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or the merits of the Open Offer Shares, and any representation to the contrary is an offence.

In addition, the relevant exemptions are not being obtained from the appropriate provincial authorities in Canada. Accordingly, the Open Offer Shares are not being offered for subscription by persons resident in Canada or any territory or possessions thereof. Applications from any Canadian Person who appears to be or whom the Company has reason to believe to be so resident or the agent of any person so resident will be deemed to be invalid. Neither this document nor an Application Form will be sent to and no Open Offer Entitlements will be credited to a stock account in CREST of any Shareholder in the Company whose registered address is in Canada. If any Application Form is received by any Shareholder in the Company whose registered address is elsewhere but who is, in fact, a Canadian Person or the agent of a Canadian Person so resident, he should not apply under the Open Offer.

For the purposes of this paragraph 7(iii), “Canadian Person” means a citizen or resident of Canada, including the estate of any such person or any corporation, partnership or other entity created or organised under the laws of Canada or any political sub-division thereof.

iv. ***Other Restricted Jurisdictions***

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction 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 Restricted Jurisdiction except pursuant to an applicable exemption.

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 Restricted Jurisdiction.

v. ***Other overseas territories***

Application Forms will be sent to Eligible Non-CREST Shareholders and Open Offer Entitlements will be credited to the stock account in CREST of Eligible CREST Shareholders. Eligible Shareholders in jurisdictions other than the Restricted Jurisdictions 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 the Application Form. Such Eligible Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the Relevant Jurisdictions should, however, consult appropriate professional advisers as to

whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares. The participation by any such Eligible Shareholder in the Open Offer will be at the absolute discretion of the Company.

vi. ***Representations and warranties relating to Overseas Shareholders***

a. *Eligible 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, Cornhill Capital and the Registrar 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 any Restricted Jurisdiction or the Republic of Ireland or France; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares 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 for a person located within any Restricted Jurisdiction or the Republic of Ireland or France or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring 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 any of the above territories.

The Company and/or the Registrar 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 despatched from a Restricted Jurisdiction 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 (ii) provides an address in a Restricted Jurisdiction for delivery of the share certificate(s) of Open Offer Shares; or (iii) purports to exclude the representation and warranty required by this sub-paragraph 7 (vi) (a).

b. *Eligible CREST Shareholders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part 3 (Terms and conditions of the Open Offer) represents and warrants to the Company and Cornhill Capital 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 any Restricted Jurisdiction; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) it is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction 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 acquiring 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 any of the above territories.

vii. ***Waiver***

The provisions of this paragraph 7 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, in its absolute discretion. Subject to this, the provisions of this paragraph 7 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 7 to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 7 shall apply to them jointly and to each of them.

8. ADMISSION, RESTORATION OF TRADING, SETTLEMENT AND DEALINGS

The result of the Placing and Open Offer is expected to be announced on 7 July 2015. Application will be made to AIM for Admission to trading of the New Ordinary Shares. It is expected that Admission of the New Ordinary Shares will become effective at 8.00 a.m. on 10 July 2015 (or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015). The Placing and Open Offer is not conditional on the Restoration of Trading becoming effective. Restoration is not expected to take place until settlement issues in the Ordinary Shares have improved to enable orderly trading. The Restoration of Trading of the Existing Ordinary Shares and the New Ordinary Shares is subject to the Rules of the London Stock Exchange. Accordingly, the New Ordinary Shares which are subscribed for under the Placing and Open Offer shall remain suspended from trading on AIM until the Restoration of Trading is effective. Whilst the Company intends the measures set out in this document to improve the settlement issues in the Ordinary Shares, there is no guarantee that the measures will be sufficient to enable Restoration.

Application will be made for the New Ordinary Shares to be admitted to CREST with effect from Admission.

The Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 6 July 2015 (being the latest practicable date for applications under the Open Offer). If the conditions to the Open Offer described in paragraph 3 above of this Part 3 are satisfied, or, if applicable waived, the Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 12 June 2015, the Registrar will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be on 10 July 2015 or such later time and/or date as the Company and Cornhill Capital may agree, not being later than 8.00 a.m. on 31 July 2015). The stock accounts to be credited will be accounts under the same CREST Participant IDs and CREST Member Account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Eligible CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Eligible Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be despatched by post by 24 July 2015. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register of members of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Eligible Non-CREST Shareholders are referred to in paragraph 4(i)(c) of this Part 3, and the Application Form.

The result of the Placing and Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as reasonably practicable after the results are known.

9. TIMES AND DATES

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall make an announcement on a Regulatory Information Service.

If a supplementary circular is published by the Company two or fewer business days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is at least three business days after the date of publication of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

10. GOVERNING LAW AND JURISDICTION

The terms and conditions of the Placing and Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Placing and Open Offer, this document or the Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, where applicable, the Application Form, Eligible Shareholders irrevocably submit to the jurisdiction of the courts of England 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.

11. FURTHER INFORMATION

Your attention is drawn to the further information set out in this document and also to the terms, conditions and other information printed on any Application Form.

PART 4

ADDITIONAL INFORMATION

1. SHARE CAPITAL

The issued capital of the Company as at the time of this document and as it will be immediately following Admission of the Open Offer Shares, assuming full subscription, is set out below:

<i>Ordinary Shares (issued and fully paid)</i>	<i>Number</i>
As at the date of this document	702,723,713
Immediately following the admission of the New Ordinary Shares ¹	4,591,596,741

Note:

- 1 Assuming full subscription under the Placing and Open Offer, no cash box placing as referred to in paragraph 5 of Part 1 of this document and no allotment of Ordinary Shares pursuant to the warrants/options/subscription rights referred to in paragraphs 3.2, 4 and 6 of Part 4 of this document. Please also refer to paragraph 6 (“*Dilution*”) at Part 1 of this document.

2. SIGNIFICANT SHAREHOLDERS

In addition to the interests of the Directors disclosed in paragraph 3 below, insofar as is known to the Company and the Directors, or could with reasonable diligence be ascertained as at the Record Date, the following persons are interested directly or indirectly in 3 per cent. or more of the issued share capital of the Company. Please also refer to “*Substantial/activist shareholders*” at paragraph 1 of Part 2 of this document.

<i>Name</i>	<i>As at the date of this document</i>	
	<i>No. of Existing Ordinary Shares</i>	<i>% of Issued Share Capital</i>
Alliance Trust Savings Nominees Limited	65,027,363	9.25
JIM Nominees Limited	60,683,923	8.64
TD Direct Investing Nominees (Europe) Limited	56,897,544	8.10
Investor Nominees Limited	53,333,156	7.59
Investor Nominees Limited	37,159,351	5.29
HSBC Client Holdings Nominee (UK) Limited	22,127,038	3.15
Dynamic Investments Limited	21,958,718	3.12

3. DIRECTORS’ SHAREHOLDINGS

- 3.1 The interests of the Directors (all of which are beneficial unless stated otherwise) and their immediate families and the persons connected with them (within the meaning of Sections 252 to 254 of the UK Companies Act 2006) in the issued share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document, and as they are expected to be immediately following the Placing and the Open Offer, are as follows:

<i>Name</i>	<i>As at the date of this document</i>		<i>Immediately following Admission¹</i>	
	<i>No. of Existing Ordinary Shares</i>	<i>% of Issued Share Capital</i>	<i>No. of Ordinary Shares</i>	<i>% of Issued Share Capital</i>
Christopher Einchcomb	2,163,518	0.31	2,163,518	0.05
Frederic Hodder	1,877,916	0.27	1,877,916	0.04
Stephen Polakoff	1,654,647 ²	0.24	1,654,647	0.04
Petro (Peter) Szytk	21,418,830 ³	3.01	21,418,830 ²	0.47
Georges Szytk	20,585,497 ⁴	2.93	20,585,497 ³	0.45

- 1 All Directors and their related parties have executed Pre-Emption Waivers in respect of the Placing and Open Offer. Assuming the maximum number of New Ordinary Shares under the Placing and Open Offer are allotted, no cash box placing as referred to in paragraph 5 of Part 1 of this document and no allotment of Ordinary Shares pursuant to the warrants/options/subsorption rights referred to in paragraphs 3.2, 4 and 6 of Part 4 of this document. Please also refer to paragraph 6 (“*Dilution*”) at Part 1 of this document.
 - 2 702,885 of these Ordinary Shares are held by Stephen Polakoff in his own name. 951,762 of these Ordinary Shares are held by Hanover Nominees Limited, as nominee for Stephen Polakoff, who is the beneficial owner of such Ordinary Shares.
 - 3 833,333 of these Ordinary Shares are held by nominees of Peter Szyk, who is the ultimate beneficial owner of such Ordinary Shares. 10,979,359 of these Ordinary Shares are held by Dynamic Investments Ltd, the ultimate beneficial owner of which is Peter Szyk. 9,606,138 of these Ordinary Shares are held by the Black Sea and Caspian Trust, in which both Peter Szyk and Georges Szyk have a joint beneficial interest as potential (but unnamed) beneficiaries.
 - 4 10,979,359 of these Ordinary Shares are held by Dynamic Investments Ltd, the ultimate beneficial owner of which is Peter Szyk, but it is agreed that these Ordinary Shares are held on behalf of Peter Szyk. 9,606,138 of these Ordinary Shares are held by the Black Sea and Caspian Trust, in which both Peter Szyk and Georges Szyk have a joint beneficial interest as potential (but unnamed) beneficiaries.
- 3.2 As at the date of this document, the Directors and persons connected with them have been issued or granted warrants/options to subscribe for Ordinary Shares as follows:

<i>Name</i>	<i>Number of Ordinary Shares subject to grant</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
Christopher Einchcomb	750,00	9.25p	25 July 2022
Frederic Hodder	1,000,000	9.25p	25 July 2022
Stephen Polakoff	1,000,000	9.25p	25 July 2022
	528,500	5p	11 May 2016
Petro (Peter) Szyk*	16,102,600	5p	11 May 2016
Georges Szyk*	16,102,600	5p	11 May 2016

* Warrants over 16,102,600 Ordinary Shares are held by the Black Sea and Caspian Trust in which both Peter Szyk and Georges Szyk have a joint beneficial interest as potential (but unnamed) beneficiaries.

4. PLACING AGREEMENT

The Company entered into the Placing Agreement pursuant to which the Company has agreed to issue the Clawback Shares at the Issue Price, and Cornhill Capital has agreed to use its reasonable endeavours to procure subscribers for the Clawback Shares at the Issue Price pursuant to the Placing.

The Placing Agreement is conditional, *inter alia*, on the Clawback Shares being admitted to trading on AIM being effected by no later than 8.00 a.m. on 10 July 2015 (or such later time as may be agreed between the parties being no later than 8.00 a.m. on 31 July 2015).

The Placing Agreement contains customary warranties and undertakings given by the Company as to the accuracy of the information contained in this document and other matters relating to the Ordinary Shares, the Group and its business. In addition, the Company has given an indemnity to Cornhill Capital in respect of certain customary matters.

If the Placing and Open Offer is insufficient in addressing the settlement issues in the Ordinary Shares, the Company and Cornhill Capital have agreed (subject to compliance with all relevant laws and regulations and to the Directors’ fiduciary duties) to take such reasonable steps as they may agree, acting in good faith, to be required in order to deal with such settlement issues. Such steps may, as a last resort, include an issue of new Ordinary Shares for non-cash consideration utilising a cash box placing conducted through Cornhill Capital in accordance with the Articles of Association. Any such cash box mechanism would not be used to facilitate the issue of Ordinary Shares (or other shares in the capital of the Company) to the participants in the Original Placing.

Cornhill Capital is entitled to terminate the Placing Agreement in specified circumstances prior to Admission, *inter alia*, in the event of the occurrence of certain force majeure events, or a breach of the Placing Agreement or a material breach of any of the warranties contained in it.

In consideration of its services in connection with the Placing, the Company has agreed to pay Cornhill Capital the fees set out in the Cornhill Capital engagement letter details of which are set out in paragraph 6 of this Part 4 of this document.

The Placing Agreement is governed by and shall be construed in accordance with the laws of England.

5. PLACING COMMITMENTS

Cornhill Capital, as placing agent for the Company, has obtained Placing Commitments from certain persons to subscribe for 3,888,873,028 of the Clawback Shares at the Issue Price.

The Placing Commitments are conditional, *inter alia*, on the Placing Agreement not being terminated in accordance with its terms and Admission becoming effective on or before 8.00 a.m. on 31 July 2015.

6. CORNHILL CAPITAL ENGAGEMENT LETTER

The Company entered into an engagement letter with Cornhill Capital on 1 June 2015 as amended by a letter dated 10 June 2015 (“**Engagement Letter**”) pursuant to which Cornhill Capital was retained to assume the duties of broker and placing agent to the Company. Cornhill Capital will act as broker to the Company with effect from the date upon which the Open Offer and Placing is announced by the Company and carry out certain broking services and the Placing as more particularly detailed in the Placing Agreement described in paragraph 4 of this Part 4 of this document. Under the terms of this letter Cornhill Capital agreed to use its reasonable endeavours to place 3,888,873,028 Ordinary Shares at the Issue Price subject to claw-back to satisfy entitlements taken up by Eligible Shareholders under the Open Offer.

Cornhill Capital undertook to take all possible steps to ensure that any placee does not deal in the Ordinary Shares until such time as the Placing is completed and that it will not, to its knowledge, conduct the Placing in a manner which will give rise to its placees (whether alone or with concert parties) acquiring or being allocated Ordinary Shares in the Placing in circumstances which would trigger a mandatory offer under Rule 9 of the Takeover Code and that it would not engage in any short selling or similar activities in the Ordinary Shares and that it would include similar undertakings and representations in the placing letters to be signed by its placees.

In consideration for its services in connection with the Placing, the Company agreed to pay Cornhill Capital commission calculated at a rate of 3.75 per cent. of the value of the Clawback Shares at the Issue Price. In addition, Cornhill Capital is entitled to additional commission of 3.75 per cent. of the gross aggregate value of Placing Commitments which are not subject to the rights of clawback by Eligible Shareholders and are issued and allotted to placees procured by Cornhill Capital pursuant to the Placing. This commission may, at the Company’s option, be payable in cash or be satisfied by the allotment of new Ordinary Shares for services in accordance with articles 2.4 and 2.9(a) of the Articles of Association at the Issue Price.

In addition the Company shall grant to Cornhill Capital’s nominee, JIM Nominees Limited, as registered holder, warrants to subscribe for such number of new Ordinary Shares as is equal to 5 per cent. of the gross aggregate value of the Clawback Shares at the Issue Price and additional warrants to subscribe for such number of new Ordinary Shares as is equal to an additional 5 per cent. of the gross aggregate value of Placing Commitments which are not subject to the rights of clawback by Eligible Shareholders and are issued and allotted to placees procured by Cornhill Capital. The warrants shall be capable of exercise within 3 years of Admission and shall vest upon the volume weighted average price of Ordinary Shares being at least equivalent to 0.18 pence for twenty consecutive business days. In addition, in consideration of Cornhill Capital acting as broker to the Company following Admission, the Company has agreed to pay with effect from 20 April 2015 an annual retainer of £30,000 in cash or (at the option of the Company or Cornhill to be exercised prior to Admission) 65,454,545 new Ordinary Shares for services in accordance with articles 2.4 and 2.9(a) of the Articles of Association. The above fees are subject to VAT (where applicable). The Company has also agreed to pay Cornhill Capital’s out-of-pocket expenses and disbursements incurred in connection with the Placing.

In the event that new Ordinary Shares are issued to Cornhill pursuant to the above fee and commission arrangements, Cornhill Capital has agreed not to sell such new Ordinary Shares or any interest therein for a

period of 12 months from Admission without the prior written consent of the Company, not to be unreasonably withheld or delayed.

The Company agreed to pay all out-of-pocket expenses and disbursements incurred in connection with Cornhill Capital's engagement (including, but not limited to the fees and expenses of Cornhill Capital's legal advisers and any other professional advisers retained on either the Company's or Cornhill Capital's behalf) and any VAT or equivalent tax incurred thereon by Cornhill whether or not the transaction proceeds.

If Cornhill Capital's appointment as placing agent is terminated prior to completion of the Placing by election of the Company (otherwise than for breach by Cornhill of any of its material obligations under the Engagement Letter) so that the Placing does not complete on or before 31 July 2015 (other than as a result of the fraud, gross negligence or wilful default in each case such having been finally and judicially determined by a court of competent jurisdiction of Cornhill Capital) the Company shall forthwith on termination pay to Cornhill Capital a fee of £25,000 plus VAT if applicable.

The Engagement Letter is governed by English Law.

7. FULL-YEAR FINANCIAL INFORMATION

The following documents and information are incorporated by reference into this document:

- i. unaudited half year results for the six month period ended 30 June 2014;
- ii. annual report for the Group for the financial year ended 31 December 2013;
- iii. annual report for the Group for the financial year ended 31 December 2012; and
- iv. the memorandum of association and articles of association of the Company.

8. AVAILABILITY OF DOCUMENTATION

Copies of this document and the documents and information incorporated by reference referred to in paragraph 7 of this Part 4 are available on the Company's website at: www.nwoilgas.com.

Copies of this document and information incorporated by reference referred to in paragraph 7 of this Part 4 will also be available free of charge to the public at the offices of Watson Farley & Williams LLP at 15 Appold Street, London EC2A 2HB during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date falling one month after the date of this document.

Date of this document: 11 June 2015

DEFINITIONS

“Admission”	admission of the New Ordinary Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules, which is expected to occur on 10 July 2015
“Advisers”	Cornhill Capital and Beaumont Cornish
“AIM”	the market known as “AIM” operated by the London Stock Exchange
“AIM Rules for Companies” or “AIM Rules”	the AIM Rules for Companies, published by the London Stock Exchange
“Al Maraam SPA”	the share purchase agreement entered into between the Company and Shareholders of Al Maraam Al-Ahliya Company for General Contracting WLL dated 10 May 2014
“Al Maraam”	Al Maraam Al-Ahliya Company for General Contracting WLL
“Application Form”	the application form accompanying this document (where appropriate) to be used by Eligible Non-CREST Shareholders in connection with the Open Offer
“Articles” or “Articles of Association”	the current articles of association of the Company
“BCE”	Blue Creek Exploration Ltd
“Beaumont Cornish”	Beaumont Cornish Limited
“Beneficiaries”	those who have a beneficial interest in Ordinary Shares held through a nominee arrangement where the nominee is a Shareholder
“Blue Creek FOA”	the farm out agreement dated 15 June 2011 (as amended) between BCE and NWOG Belize
“Blue Creek Project”	means the Blue Creek project, being the acreage covered by the Blue Creek PSA
“Blue Creek PSA”	the production sharing agreement dated 12 October 2007 (as amended) between the Government of Belize and BCE
“Board”	the board of Directors of the Company
“bopd”	barrels of oil per day
“certificated” or “certificated form”	not in uncertificated form
“Clawback Shares”	up to 3,888,873,028 New Ordinary Shares which are being conditionally placed by Cornhill Capital pursuant to the Placing Agreement, subject to the rights of clawback by Eligible Shareholders
“Company” or “New World”	New World Oil and Gas plc, a company incorporated in Jersey with registered number 105517 whose registered office is at 44 Esplanade, St. Helier, Jersey JE4 9WG, Channel Islands
“Competent Person”	RPS Energy
“Cornhill Capital”	Cornhill Capital Limited

“CPR”	the Company’s competent person’s report prepared by RPS Energy dated 29 June 2012
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the Regulations
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear as amended from time to time)
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“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
“Danica Jutland FOAs”	the Danica Jutland Licence 1/09 FOA and Danica Jutland Licence 2/09 FOA
“Danica Jutland Licences”	Danica Jutland Licence 1/09 and Danica Jutland Licence 2/09
“Danica Jutland Licence 1/09”	the licence dated 17 May 2009 granted to Danica Jutland ApS and the Danish North Sea Fund by the Danish Energy Agency
“Danica Jutland Licence 2/09”	the licence dated 17 May 2009 granted to Danica Jutland ApS and the Danish North Sea Fund by the Danish Energy Agency
“Danica Jutland Licence 1/09 FOA”	the farm out agreement dated 10 October 2011 between Danica Jutland ApS and NWOJ Jutland
“Danica Jutland Licence 2/09 FOA”	the farm out agreement dated 10 October 2011 between Danica Jutland ApS and NWOJ Jutland
“Danica Jutland Project”	the Danica Jutland project, being the acreage covered by the Danica Jutland Licences
“Danica Licences”	the Danica Jutland Licences and the Danica Resources Licence
“Danica Resources FOA”	the farm out agreement dated 14 April 2012, between Danica Resources ApS and NWOJ Resources
“Danica Resources Licence 1/08”	the licence dated 31 March 2008 granted to Danica Resources ApS and the Danish North Sea Fund by the Danish Energy Agency
“Danica Resources Project”	the Danica Resources project, being the acreage covered by the Danica Resources Licence

“Directors”	the directors of the Company from time to time, being as at the date of this document, the individuals listed on page 7 of this document under the heading “Directors”
“EGM”	the Company’s extraordinary general meeting held on 19 May 2015
“Eligible CREST Shareholders”	Eligible Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date were held in uncertificated form
“Eligible Non-CREST Shareholders”	Eligible Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date were held in certificated form
“Eligible Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date
“enabled for settlement”	in relation to the 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 Existing Ordinary Shares together with the New Ordinary Shares
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the 702,723,713 Ordinary Shares in issue at the date of this document
“FCA”	the UK Financial Conduct Authority
“French Regulations”	the rules and regulations (<i>réglement general</i>) of the Autorité des Marchés Financiers implementing Directive 2003/71/EC
“FSMA”	the Financial Services and Markets Act 2000 (as amended) of the UK including any regulations made under it
“GPoS”	Geological Probability of Success
“Group”	the Company and its subsidiary undertakings
“Irish Regulations”	Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland
“Issue Price”	0.09 pence per Open Offer Share
“London Stock Exchange” or “Exchange”	London Stock Exchange plc
“Member Account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Money Laundering Regulations 2007 and obligations in connection with money laundering under the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002
“mmbbls”	million barrels
“New Ordinary Shares”	up to the 3,888,873,028 New Ordinary Shares to be issued pursuant to the Placing and Open Offer
“Niel Petroleum”	Niel Petroleum S.A.

“ NWOG Belize ”	New World Oil and Gas (Belize) Limited, a wholly owned subsidiary of the Company, incorporated in Belize
“ NWOG Belize Operations ”	New World Oil and Gas (Belize Operations) Limited, a wholly owned subsidiary of the Company, incorporated in Belize
“ NWOG Jutland ”	New World Jutland ApS, a wholly owned subsidiary of the Company, incorporated in Denmark
“ NWOG Operations ”	New World Operations ApS, a wholly owned subsidiary of the Company, incorporated in Denmark
“ NWOG Resources ”	New World Resources ApS, a wholly owned subsidiary of the Company, incorporated in Denmark
“ NWOG Resources Operations ”	New World Resources Operations ApS, a wholly owned subsidiary of the Company, incorporated in Denmark
“ Official List ”	the Official List of the United Kingdom Listing Authority
“ Open Offer ”	the invitation to Eligible Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out or referred to in Part 3 and Schedule 1 of this document and, where relevant, in the Application Form
“ Open Offer Entitlement ”	the <i>pro rata</i> entitlement for Eligible Shareholders to apply to subscribe for 5.534 Open Offer Shares for each Existing Ordinary Share held by them at the Record Date pursuant to the Open Offer
“ Open Offer Shares ”	the 3,888,873,028 Ordinary Shares which are to be made available for subscription by Eligible Shareholders under the Open Offer
“ Ordinary Shares ” or “ Shares ”	the ordinary shares of no par value in the capital of the Company from time to time
“ Original Placing ”	the conditional placing of the Original Placing Shares to places to raise approximately £1.5 million (before expenses) which placing was not completed
“ Original Placing Shares ”	the 2,727,272,727 new Ordinary Shares which were to be issued pursuant to the Original Placing
“ Overseas Shareholders ”	Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the Relevant Jurisdictions
“ Overseas Beneficiaries ”	Beneficiaries who are resident in, or who are citizens of, or who have registered addresses in, territories other than the Relevant Jurisdictions
“ P50 ”	50% probability that value will be equal to or greater than stated value
“ Participant ID ”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“ Permitted Beneficiaries ”	Beneficiaries other than Overseas Beneficiaries
“ Placing ”	the conditional placing by Cornhill Capital on behalf of the Company of the Clawback Shares at the Issue Price pursuant to the Placing Agreement

“Placing Agreement”	the agreement dated on or around the date of this document between the Company and Cornhill Capital relating to the Placing and Open Offer, further details of which are set out in paragraph 4 of Part 4 of this document
“Placing Commitments”	the conditional commitments to subscribe for 3,888,873,028 of the Clawback Shares entered into by certain persons, further details of which are set out in paragraph 5 of Part 4 of this document
“Pre-emption Waivers”	pre-emption waivers in respect of the Open Offer from certain Eligible Shareholders (including certain Eligible Shareholders from the Restricted Jurisdictions)
“Projects”	Blue Creek Project, Danica Jutland Project and Danica Resources Project
“Record Date”	close of business on 5 June 2015
“Regulation S”	Regulation S under the Securities Act
“Regulations”	the Uncertificated Securities Regulations 2001, as amended from time to time
“Regulatory Information Service”	has the meaning given to it in the AIM Rules for Companies
“Relevant Jurisdiction”	the United Kingdom, Jersey, the Republic of Ireland and France
“Restoration of Trading” or “Restoration”	the restoration of trading on AIM of the Ordinary Shares, in accordance with the Rules of the London Stock Exchange
“Restricted Jurisdiction”	the United States, Canada, Australia, the Republic of South Africa, Japan, or any other jurisdiction outside the UK, Jersey, the Republic of Ireland and France
“Rules of the London Stock Exchange”	the Rules of the London Stock Exchange published by the London Stock Exchange
“Securities Act” or “US Securities Act”	US Securities Act of 1933, as amended and the rules and regulations promulgated under its authority
“Shareholders”	holders of Ordinary Shares
“Suspension”	the initial temporary suspension of the trading on AIM of the Ordinary Shares, which took effect from 7.30 a.m. on 19 May 2015 followed by the separate but continuous suspension of the trading on AIM of the Ordinary Shares on 21 May 2015 pursuant to the London Stock Exchange Market Notice N10/15 and which suspension continues as of the date of this document
“Takeover Code”	the City Code on Takeovers and Mergers
“Tscf”	Trillion standard cubic feet
“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 Regulations, may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland

“United States” or “US”

the United States of America, its territories and possessions and any state of the United States and the District of Columbia

“VAT”

Value Added Tax

SCHEDULE 1

Each Eligible Shareholder applying for Open Offer Shares represents, warrants, covenants, agrees and acknowledges as set out in this Schedule 1:

1. the Company, the Advisers and others will rely upon its representations, warranties, covenants, agreements and acknowledgements set forth herein, and it agrees to notify the Company and the Advisers promptly in writing if any of its representations, warranties, covenants, agreements or acknowledgements ceases to be accurate and complete;
2. it has read and understood this document, including the risk factors contained in Part 2 therein and accepted the terms and conditions of the Open Offer contained in this document and its application for Open Offer Shares shall be on and subject to the terms and conditions of this document and, if it is an Eligible Non-CREST Shareholder, the Application Form;
3. it has ample opportunity to review this document with its legal and financial advisers;
4. it agrees that all applications, and contracts resulting therefrom, under the Open Offer or in connection therewith shall be governed by, and construed in accordance with, the laws of England;
5. it is an Eligible Shareholder originally entitled to the Open Offer Entitlements, or if it has received some or all of its Open Offer Entitlements from a person other than the Company, it is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
6. it may lawfully acquire the Open Offer Shares to be subscribed by it pursuant to the Open Offer and has the capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Open Offer Shares and will honour such obligations;
7. it agrees that its obligations under this schedule shall not be capable of rescission or termination by it in any circumstance;
8. in agreeing to acquire the Open Offer Shares, it is relying on the information contained in this document and it is not relying on any other information given or representation, warranty, undertaking, agreement or statement made at any time by the Company, the Advisers or any of their respective officers, directors, agents, employees or advisers, or any other person in relation to the Company or its subsidiary undertakings, the Open Offer or the Open Offer Shares to be issued pursuant to the Open Offer, and neither the Company, the Advisers nor any other person will be liable for any Eligible Shareholder's decision to participate in the Open Offer based on any other information, representation, warranty, undertaking, agreement or statement which Eligible Shareholders may have obtained or received. In addition, it has neither received nor relied on any confidential price sensitive information. Nothing in this paragraph shall exclude the liability of any person for fraud;
9. it is entitled to acquire Open Offer Shares under the terms of the Open Offer and the laws of all relevant jurisdictions which apply to it (the "Applicable Securities Laws") and it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has not taken any action or omitted to take any action which will or may result in the Company, the Advisers or any of their respective officers, directors, agents, employees or advisers acting in breach of any law or regulatory requirement of any territory or jurisdiction in connection with the Open Offer or its entitlement;
10. it is not, nor is it applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is or may be prevented by law (except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as

- unduly burdensome) and the Eligible Shareholder 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 his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is or may be prevented by law (except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor such person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
11. it irrevocably appoints any director of the Company and the Advisers as its agent for the purpose of executing and delivering to the Company and/or the Registrars any documents on its behalf necessary to enable it to be registered as the holder of Open Offer Shares;
 12. it is not, and nor is it applying for Open Offer Shares as nominee or agent for, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the Finance Act 1986 (Depositary Receipts and Clearance Services) and, in the event of any breach of this warranty, it agrees that neither the Company nor the Advisers will have any liability to it or other persons in respect of such duty or tax;
 13. the Applicable Securities Laws do not require the Company to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind in connection with the Open Offer in the jurisdiction in which it is resident;
 14. the purchase by it of Open Offer Shares does not trigger in the jurisdiction in which it is resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action;
 15. it and any person acting on its behalf is aware of the obligations in connection with money laundering under the Money Laundering Regulations to the extent applicable to it and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Money Laundering Regulations;
 16. it agrees to be bound by the terms of the memorandum of association of the Company and the Articles of Association in force immediately following Admission;
 17. it will not deal or cause or permit any other person to deal in all or any of the Open Offer Shares unless and until Admission becomes effective;
 18. the Company is relying on one or more exemptions from the registration requirements of the Securities Act and, as a consequence of acquiring the Open Offer Shares pursuant to such exemption(s), certain protections, rights and remedies provided by applicable securities laws will not be available to it, including an obligation on the Company to provide it with a prospectus or other disclosure document, and, save for this document, no offer document, admission document or prospectus has been, or is required to be, prepared in connection with the Open Offer;
 19. it has not received a prospectus or admission document or, save for this document, other offering document in connection with the Open Offer, and no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Open Offer Shares or the fairness or suitability of the investment in the Open Offer Shares nor have such authorities passed upon or endorsed the merits of the offering of the Open Offer Shares;
 20. it acknowledges that the Existing Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the rules

of AIM (the “**Exchange Information**”), and that it is able to obtain or access the Exchange Information without undue difficulty;

21. neither the Company nor the Advisers nor any person acting on their behalf nor any of their respective affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person;
22. the Company may be or may become a “passive foreign investment company” or “PFIC” within the meaning of Section 1297 of the US Internal Revenue Code of 1986, as amended (the “US Internal Revenue Code”) for United States federal income tax purposes and it has consulted with its own independent tax adviser as to the United States federal, state and local tax consequences of any investment in the Company;
23. if it is acquiring any Open Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, covenants, agreements and acknowledgements on behalf of each such account;
24. it is not (i) an “employee benefit plan” (within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to section 4975 of the US Internal Revenue Code or any other state, local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company (or other persons responsible for the investment and operation of the Company’s assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement;
25. it acknowledges that neither the Open Offer Shares or the Open Offer Entitlements have been nor will they be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
26. the Company is not obligated to file and has no intention of filing with the Securities and Exchange Commission or any state securities administrations any registration statement in respect of the resale of the Open Offer Shares in the United States;
27. the Company has not registered and will not register as an investment company under the US Investment Company Act of 1940, as amended (“**Investment Company Act**”);
28. it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document (or any part thereof) to or within the United States, nor will it do any of the foregoing;
29. it is purchasing the Open Offer Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Open Offer Shares in any manner that would violate the Securities Act, the Investment Company Act or any other applicable securities laws, or otherwise cause the Company’s assets to become subject to ERISA, and it does not have a present arrangement to effect any distribution of the Open Offer Shares to or through any person or entity;

30. it is not acquiring any Open Offer Shares for resale in the United States and it has not and will not deliver or forward any advertisement or other offering material in relation to the Open Offer Shares in or into the United States;
31. it will indemnify and hold the Company, the Advisers and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, agreements and covenants in this document. All representations, warranties, agreements and covenants given by it in this document are given to the Company and will survive completion of the Open Offer;
32. it is either acquiring the Open Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act or, if it is acquiring the Open Offer Shares in the United States, meets one or more of the applicable exemption requirements, including Section 4(a)(2), Reg. D or Rule 801;
33. at the time it received the offer to purchase the Open Offer Shares it was not in the United States;
34. it (i) understands and acknowledges that the offering and sale of the Open Offer Shares are not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States; and (ii) acknowledges that no Application Form, where appropriate, will be accepted by any such use, means, instrumentality or facility or from within the United States, and doing so may render such Application Form invalid;
35. its receipt and execution of the Application Form, where appropriate, each occurred outside the United States; and
36. it is not acquiring the Open Offer Shares as a result of or due to, and will not engage in, any “directed selling efforts” (as defined in Regulation S under the Securities Act) in the United States in respect of the Open Offer Shares, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Open Offer Shares, including placing an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States.

