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If you have sold or otherwise transferred all of your ordinary shares in Baron Oil Plc, please forward this document and the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, such documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction. If you have sold or transferred only part of your holding in the shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale of transfer was effected.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

BARON OIL Plc

(incorporated and registered in England and Wales with registered number 05098776)

Placing and Subscription of 2,500,000,000 new Ordinary Shares at a price of 0.1 pence per share

Notice of General Meeting

This document should be read in conjunction with the accompanying Form of Proxy and the Notice of General Meeting set out at the end of this document. You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman which is set out on pages 4 to 6 of this document and which recommends you to vote in favour of all of the Resolutions to be proposed at the General Meeting.

Notice of a General Meeting of the Company to be held at 200 Strand London WC2R 1DJ at 11.00 a.m. on 10 March 2020 is set out at the end of this document. A Form of Proxy for holders of ordinary shares for use at the General Meeting accompanies this document. To be valid, the enclosed Form of Proxy should be completed and returned as soon as possible and, in any event, so as to reach the Company's Registrars, Computershare Investor Services (Ireland) Limited at 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland no later than 6 March 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). Completion of a Form of Proxy will not preclude a shareholder from attending and voting in person at the General Meeting, or any adjournment thereof, should they so wish.

DEFINITIONS

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

“Act”	the Companies Act 2006;
“AIM”	AIM, a market operated by the London Stock Exchange;
“AIM Rules”	AIM Rules for Companies (including the guidance notes thereto) published from time to time by the London Stock Exchange;
“BCF”	billion cubic feet;
“Broker Warrants”	Tranche 1 Broker Warrants and Tranche 2 Broker Warrants;
“Chuditch PSC”	TL-SO-19-16 Production Sharing Contract, offshore Timor-Leste;
“Company”	Baron Oil Plc, incorporated and registered in England and Wales under registered number 05098776;
“Directors”	the directors of the Company as at the date of this document and whose names are set out on page 4 of this document;
“Director Subscriptions”	the subscription for the Subscription Shares by Andrew Yeo and Jon Ford;
“Enlarged Share Capital”	the issued share capital of the Company as enlarged by the Placing Shares and the Subscription Shares;
“this document”	this document including the Notice at the end of this document;
“First Admission”	admission of the Tranche 1 Placing Shares to trading on AIM having become effective in accordance with the AIM Rules;
“Form of Proxy”	the form of proxy for use by the Shareholders in connection with the General Meeting;
“Fundraising”	the Placing and the Subscription;
“General Meeting” or “GM”	the General Meeting of the Shareholders of the Company to be held on 10 March 2020 at 11.00 a.m. (and any adjournment thereof);
“London Stock Exchange”	London Stock Exchange plc;
“Notice”	the notice of the General Meeting which is set out at the end of this document;
“Ordinary Shares”	ordinary shares in the capital of the Company having the nominal amount of 0.025p each;
“Placing”	the conditional placing of the Placing Shares by TPI at the Placing Price;
“Placing Price”	0.1 pence per ordinary share;

“Placing Shares”	Tranche 1 Placing Shares and Tranche 2 Placing Shares;
“Resolutions”	The resolutions to be proposed at the General Meeting and as set out in the Notice at the end of this document;
“Second Admission”	admission of the Tranche 2 Placing Shares and the Subscription Shares to trading on AIM having become effective in accordance with the AIM Rules;
“Shareholders”	holders of Ordinary Shares;
“Subscription”	The subscription of Subscription Shares by way of direct subscriptions with the Company;
“Subscription Shares”	57,500,000 new Ordinary Shares to be issued pursuant to the Subscription;
“TPI”	Turner Pope Investments (TPI) Limited;
“Tranche 1 Broker Warrants”	36,785,714 broker warrants to subscribe for new Ordinary Shares in the Company exercisable at the Placing Price from the date of the First Admission until the third anniversary of the First Admission in connection with the Tranche 1 Placing Shares;
“Tranche 2 Broker Warrants”	80,339,286 broker warrants to subscribe for new Ordinary Shares in the Company exercisable at the Placing Price from the date of the Second Admission until the third anniversary of the Second Admission in connection with the Tranche 2 Placing Shares;
“Tranche 1 Placing Shares”	735,714,286 new Ordinary Shares to be issued pursuant to the Placing; and
“Tranche 2 Placing Shares”	1,706,785,714 new Ordinary Shares to be issued pursuant to the Placing.

Baron Oil Plc

(incorporated and registered in England and Wales with registered number 05098776)

Directors:

Malcolm Butler (*Executive Chairman*)
Andrew Yeo (*Managing Director*)
Jon Ford (*Non-Executive Director*)

Registered Office:

Finsgate
5 – 7 Cranwood Street
London
EC1V 9EE

21 February 2020

To the Shareholders and for information only to the holders of options and warrants

Dear Shareholder

**Placing and Subscription of
2,500,000,000 new Ordinary Shares at a price of 0.1 pence per share
Notice of General Meeting**

1 Introduction

The Company announced on 14 February 2020 that it had raised £2.5 million (before expenses) by way of a conditional placing and subscription of 2,500,000,000 new Ordinary Shares of 0.025p each at a price of 0.1 pence per share. Turner Pope Investments (TPI) Limited acted as sole placing agent.

The purpose of this document is to provide you with details of the Fundraising, the reasons for the Fundraising, an explanation of the Resolutions to be proposed at the General Meeting and the action you should take in order to register your vote.

The Company proposes to convene a General Meeting to be held at 200 Strand London WC2R 1DJ on 10 March 2020 at 11.00 a.m. The formal notice of General Meeting is set out at the end of this document.

2 Details of the Fundraising

The Fundraising comprises a Placing of 2,442,500,000 new Ordinary Shares and a Subscription of 57,500,000 new Ordinary Shares, both at the Placing Price. The Company utilised its existing share authorities obtained at its annual general meeting held in 2019 to allot and issue 735,714,286 new Ordinary Shares, being the Tranche 1 Placing Shares. The Tranche 1 Placing Shares were admitted to trading on AIM on 20 February 2020. The Placing Price represented a discount of 58.3 per cent. to the closing middle market price of 0.24 pence per Existing Ordinary Share on 13 February 2020, being the latest practicable date prior to the announcement of the Placing on 14 February 2020.

The allotment and issue of the balance of 1,706,785,714 new Ordinary Shares pursuant to the Placing and the 57,500,000 Subscription Shares is conditional on the passing of the Resolutions to be proposed at the General Meeting on 10 March 2020. Application will be made to the London Stock Exchange for the Tranche 2 Placing Shares and the Subscription Shares to be trading on AIM and it is expected that the Second Admission will become effective and dealings in the Tranche 2 Placing Shares and Subscription Shares will commence on AIM at 8.00 a.m. on 11 March 2020. Assuming no options or warrants are exercised prior to the Second Admission, the Placing Shares and the Subscription Shares together will represent 56.48 per cent. of the Company's Enlarged Share Capital immediately following the Second Admission.

Broker Warrants

In addition, the Company has granted to TPI's nominee, JIM Nominees Limited, 36,785,714 broker warrants, namely, the Tranche 1 Broker Warrants, to subscribe for new Ordinary Shares in the Company

exercisable at the Placing Price from the date of the First Admission until the third anniversary of the First Admission in connection with the Tranche 1 Placing Shares. Subject to the passing of the Resolutions, it is intended that the Company will grant TPI's nominee a further 80,339,286 broker warrants, namely, the Tranche 2 Broker Warrants, to subscribe for new Ordinary Shares in the Company exercisable at the Placing Price from the date of the Second Admission until the third anniversary of the Second Admission in connection with the Tranche 2 Placing Shares.

The Placing Shares and the Subscription Shares will rank *pari passu* in all respects with Ordinary Shares in issue.

3. Director Subscriptions

Andrew Yeo and Jon Ford have agreed to subscribe for a total of 57,500,000 new Ordinary Shares at a price of 0.1 pence per share, being on the same terms as other investors.

Details of the Director Subscriptions are outlined in the table below.

Director	Position	Subscription Shares being subscribed	Shareholding following Admission	% holding following Admission
Andrew Yeo	Managing Director	50,000,000	106,250,000	2.40%
Jon Ford	Non-Executive Director	7,500,000	7,500,000	0.17%

4. Related Party Transaction

As both Andrew Yeo and Jon Ford are directors of the Company, the Director Subscriptions are deemed related party transactions for the purposes of Rule 13 of the AIM Rules ("**Related Party Transactions**").

Malcolm Butler, being the independent Director for the purposes of the Related Party Transactions, considers, having consulted with the Company's nominated adviser, SP Angel Corporate Finance LLP, that the terms and conditions of the Director Subscriptions are fair and reasonable insofar as all shareholders of the Company are concerned.

5. Use of Proceeds

It is intended that the proceeds of the Placing will largely be used to fund the Company's share of the ongoing Chuditch PSC Work Programme and the drilling of the onshore El Barco-3x well in Peru, as well as providing additional working capital. As previously announced on 4 February 2020, the Chuditch-1 well in the Chuditch PSC had encountered a hydrocarbon column for which a gross estimate was made by former operator Shell of mean gas in place of 2,320 BCF, with gas recovery potential, based on Shell's estimates for recovery factor in the range of 55% to 75%, of between 1,276 and 1,740 BCF. These are considered by Baron to be Prospective Resources but are not SPE PRMS compliant. In Peru, Baron plans to drill El Barco-3x later this year targeting 2U (P50) SPE PRMS compliant unrisked recoverable Prospective Resources of 8.5 million barrels of oil recoverable from the higher risk Amotape Basement, and 14.7 BCF of gas recoverable from the low risk, shallower Mancora Sand.

6. General Meeting

A notice convening the General Meeting to be held at 200 Strand London WC2R 1DJ at 11.00 a.m. on 10 March 2020 is set out at the end of this document.

The following Resolutions are to be proposed at the General Meeting:

Ordinary Resolution

Resolution 1 – Authority to allot

This is an ordinary resolution granting general authority to the directors to allot new Ordinary Shares up to an aggregate nominal amount of £900,000 which includes the issue of the Tranche 2 Placing Shares, the Subscription Shares and the issue of shares connected with the exercise of Tranche 2 Broker Warrants should they be exercised in the future. Once Tranche 2 of the Placing is completed, this will

leave the general authority to allot headroom at £438,843. The authority will expire at the conclusion of the next annual general meeting of the Company held in 2020.

Special Resolutions

Resolution 2 – Disapplication of Pre-emption rights

This is a special resolution authorising the Directors to issue equity securities up to an aggregate nominal amount of £461,157 for cash comprising the Tranche 2 Placing Shares, the Subscription Shares and the issue of shares upon the exercise of the Tranche 2 Broker Warrants, on a non pre-emptive basis pursuant to the authority conferred by resolution 1 above.

Resolution 3 – Disapplication of Pre-emption rights

This is a special resolution authorising the Directors to issue equity securities up to an aggregate nominal amount of £337,593 for cash on a non pre-emptive basis pursuant to the authority conferred by resolution 1 above. This will provide flexibility for the Board to allot shares for cash without recourse to shareholders from time to time as deemed appropriate. The authority will expire at the conclusion of the next annual general meeting of the Company held in 2020.

7. Action to be taken

A Form of Proxy for use at the meeting is enclosed with this letter.

Whether or not you intend to be present at the General Meeting in person, you are requested to complete the enclosed Form of Proxy in accordance with the instructions printed thereon. To be valid, completed forms of proxy must be returned by post or hand to Computershare Investor Services (Ireland) Limited at 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland, so as to arrive as soon as possible, and in any event not later than 11.00 a.m. on 6 March 2020, (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

The return of a Form of Proxy will not, however, prevent you from attending the General Meeting and voting, in person, should you wish to do so.

8. Recommendation and Importance of the Vote

The Board considers that the Resolutions are in the best interests of the Company and its Shareholders as a whole.

Should Resolutions 1 and 2 not be passed at the General Meeting for any reason, the Company would not have access to the funds to be raised by the issue of the Tranche 2 Placing Shares and the Subscription Shares (approximately £1.76 million). In such case, in the absence of being able to obtain alternative funding by the end of April 2020, the Company would be unable to proceed with its entitlement to invest in the Chuditch PSC and its entitlement to the Chuditch PSC indirect interest would lapse.

Accordingly your Board unanimously recommends that you should vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings in the Company.

Yours faithfully,

Malcolm Butler
Executive Chairman

Baron Oil Plc

(incorporated and registered in England and Wales with registered number 05098776)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the General Meeting of Baron Oil Plc (the “**Company**”) will be held at 200 Strand London WC2R 1DJ on 10 March 2020 at 11.00 a.m. for the purposes of considering and, if thought fit, approving the following Resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolutions 2 and 3 (inclusive) as special resolutions:

Terms used on the notice shall have the same meanings as defined in the circular to shareholders of the Company dated 21 February 2020 unless the context requires otherwise.

Ordinary Resolution

1. **THAT**, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (“**Act**”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (“**Rights**”) up to an aggregate nominal amount of £900,000 provided that this authority shall expire on the conclusion of the next annual general meeting held by the Company following the passing of this resolution save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights to subscribe for or to convert any security into shares in the Company in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

2. **THAT**, subject to the passing of Resolution 1 set out above, the Directors be empowered in accordance with section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of that Act) pursuant to the general authority conferred by Resolution 1, or by way of a sale of treasury shares, for cash as if section 561 of that Act did not apply to any such allotment or sale, provided that this power be limited to up to an aggregate nominal amount of £461,157 in connection with the issue of the Tranche 2 Placing Shares, the Subscription Shares and New Ordinary Shares upon the exercise of the Tranche 2 Broker Warrants.
3. **THAT**, subject to the passing of Resolution 1 set out above, the Directors be empowered pursuant to section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of that Act) pursuant to the general authority conferred by Resolution 1, or by way of a sale of treasury shares, for cash as if section 561 of that Act did not apply to any such allotment or sale, provided that this power shall be limited to allotment of equity securities up to an aggregate nominal amount of £337,593 and such power shall expire on upon the expiry of the authority conferred by Resolution 1, save that the Directors shall be entitled to make offers or agreement before the expiry of such power which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

Registered Office
Finsgate
5 – 7 Cranwood Street
London
EC1V 9EE

By Order of the Board

Mr Geoffrey Kenneth Barnes
Company Secretary

21 February 2020

Notes to the Notice of General Meeting

1. Only those persons entered in the Register of Members of the Company (the "Register") not later than 6 March 2020; or if this meeting is adjourned, 48 hours before the time of the adjournment thereof, shall be entitled to attend or vote at the General Meeting in respect of the number of ordinary shares in the capital of the Company registered in their names at that time.
2. Any member of the Company who is unable to or does not wish to attend the General Meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend and to speak and vote on his behalf at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. Appointing a proxy does not prevent a member from attending and voting in person if he is entitled to do so and so wishes.
3. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to a different shares or shares held by the member. To do this a member must complete a separate Form of Proxy for each proxy.
4. The notes to the proxy form explain how to direct your proxy how to vote on each Resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed and signed, sent or delivered to and received by Computershare Investor Services (Ireland) Limited at 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland no later than 6 March 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. In the case of joint holders, where more than one of the joint holders purports to vote or appoint a proxy, only the vote or appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services (Ireland) Limited. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services (Ireland) Limited at 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services (Ireland) Limited no later than 6 March 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
9. As at 20 February 2020 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 2,662,123,862 ordinary shares of 0.025p each. Each ordinary share carries the right to vote at a general meeting of the Company, and therefore, the total number of voting rights in the Company as at 20 February 2020 was 2,662,123,862.