

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about the contents of this document or as to any action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountants or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (as amended) in the UK or, if you are taking advice in Argentina, is duly authorised in Argentina and who specialises in advising on the acquisition of shares and other securities if you are resident in the United Kingdom or Argentina (as the case may be) or, if not, from another appropriately authorised independent financial adviser in your jurisdiction. You should read this document in its entirety.

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document (but not the personalised Form of Proxy and Exit Opportunity Form which accompany this document), to the purchaser or transferee or to the stockbroker, bank or other agent through whom the transfer was effected, for delivery to the purchaser or transferee. If you have sold part only of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take. However, this document and any accompanying documents should not be sent or transmitted in or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, Canada, Japan, Australia, or the Republic of South Africa (the “**Restricted Territory**”).

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# **PHOENIX GLOBAL RESOURCES PLC**

*(incorporated and registered in England and Wales with registered number 05083946)*

## **Proposed cancellation of admission of the Ordinary Shares to trading on AIM and cancellation of secondary listing on BASE**

### **Exit Opportunity for minority shareholders**

### **Re-registration as a private limited company**

### **Adoption of new articles of association**

### **and Notice of General Meeting**

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This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out on pages 9 to 18 of this document and which recommends you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

The Cancellation and Re-registration are conditional, *inter alia*, on the approval of the Shareholders at the General Meeting by the passing of the relevant Resolutions. Notice of the General Meeting of the Company to be held at the offices of the Company at 1st Floor, 62 Buckingham Gate, London, SW1E 6AJ on 1 September 2022 at 11.00 a.m. is set out at Part V of this Circular. Whether or not you intend to be present at the General Meeting you are urged to complete and return the enclosed Form of Proxy, in accordance with the instructions printed thereon, so as to be received by the Company’s Registrars, Share Registrars Limited, 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX, as soon as possible and in any event by no later than 11.00 a.m. on 30 August 2022. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting in person should they so wish.

The Directors, whose names appear on page 5 of this Circular, accept individual and collective responsibility for the information contained in this Circular (other than the information which describes Mercuria or its intentions, which is the responsibility of Mercuria), including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. Mercuria accepts responsibility for any information in this Circular which describes Mercuria or its intentions. To the best of the knowledge and belief of Mercuria (which has taken all reasonable care to ensure that such is the case), the information in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Panmure Gordon, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company in connection with the Cancellation and is not acting for any other person nor will it otherwise be responsible to any person for providing the protections afforded to customers of Panmure Gordon, or for advising any other person in respect of the Cancellation. No representation or warranty, express or implied, is made by Panmure Gordon as to any of the contents of this Circular (without limiting the statutory rights of any person to whom this Circular is issued). Panmure Gordon has not approved the contents of, or any part of, this Circular and no liability whatsoever is accepted by Panmure Gordon for the accuracy of any information or opinions contained in this Circular or for the omission of any information.

Shore Capital and Corporate and Shore Capital Stockbrokers, which are authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting for the Company in connection with the Cancellation and are not acting for any other person nor will it otherwise be responsible to any person for providing the protections afforded to customers of Shore Capital, or for advising any other person in respect of the Cancellation.

Shore Capital and Corporate's responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of the Cancellation. No representation or warranty, express or implied, is made by Shore Capital as to any of the contents of this Circular (without limiting the statutory rights of any person to whom this Circular is issued). Shore Capital has not approved the contents of, or any part of, this Circular and no liability whatsoever is accepted by Shore Capital for the accuracy of any information or opinions contained in this Circular or for the omission of any information.

No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

Copies of this document will be available on the Company's website at [www.phoenixglobalresources.com](http://www.phoenixglobalresources.com).

### **Forward-Looking Statements**

This Circular contains forward-looking statements. These relate to the Company's and/or the Group's future prospects, developments and strategies. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "intend", "anticipate", "seek", "target", "may", "plan", "will" or the negative of those, variations of or comparable expressions, including by references to assumptions. The forward-looking statements in this Circular are based on current expectations and are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by those statements.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Company announced it was in discussions with Mercuria regarding intention to cancel its admission to trading on AIM and BASE and the Exit Opportunity	22 June 2022
Posting of this Circular, Forms of Proxy and Exit Opportunity Forms and related announcement by the Company	3 August 2022
Exit Opportunity opens	3 August 2022
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 30 August 2022
Time and date of General Meeting	11.00 a.m. on 1 September 2022
Company's announcement of result of General Meeting	12.00 p.m. on 1 September 2022
Exit Opportunity closes	1.00 p.m. on 7 September 2022
Company's announcement of number of Shares sold pursuant to the Exit Opportunity	9 September 2022
Expected last day of dealings in Ordinary Shares on AIM	14 September 2022
Expected last day of dealings in Ordinary Shares on BASE	14 September 2022
Expected time and date of the AIM Cancellation	7.00 a.m. on 15 September 2022
Expected time and date of the BASE Cancellation	15 September 2022
Expected date of Re-registration	29 September 2022

### Notes:

1. Each of the times and dates in the above timetable are subject to change. If any of the above times or dates change, the revised times or dates will be notified to Shareholders by means of an announcement made through a Regulatory Information Service (as defined in the AIM Rules). All references to times in this document are to London times unless otherwise stated.
2. The Cancellation requires the approval of not less than 75 per cent. of the votes cast by Shareholders, whether voting in person or by proxy, at the General Meeting.
3. Re-registration requires the approval of not less than 75 per cent. of the votes cast by Shareholders, whether voting in person or by proxy, at the General Meeting.

## COMPANY INFORMATION

Directors	Sir Michael Rake ( <i>Non-Executive Chairman</i> ) John Bentley ( <i>Senior Independent Non-Executive Director</i> ) Martin Bachmann ( <i>Independent Non-Executive Director</i> ) Tim Harrington ( <i>Independent Non-Executive Director</i> ) Nicolas Mallo Huergo ( <i>Non-Executive Director</i> ) Magid Shenouda ( <i>Non-Executive Director</i> )
Company secretary and CFO	Nigel Duxbury
Registered office and business address	1st Floor 62 Buckingham Gate London SW1E 6AJ
Financial adviser and joint broker to the Company	Panmure Gordon (UK) Limited
Nominated adviser and financial adviser to the Company	Shore Capital and Corporate Limited
Joint Broker to the Company	Shore Capital Stockbrokers Limited
Solicitors to the Company in respect of the laws of England and Wales	Herbert Smith Freehills LLP
Solicitors to the Company in respect of the laws of Argentina	Pérez Alati, Grondona, Benites & Arntsen
Registrars	Share Registrars Limited

## INFORMATION SPECIFIC TO THE EXIT OPPORTUNITY

Receiving Agent for the Exit Opportunity	Share Registrars Limited
BASE Receiving Agent in relation to the Exit Opportunity	Caja de Valores S.A.

## DEFINITIONS

The following definitions and technical terms apply throughout this Circular and the accompanying Form of Proxy, unless the context otherwise requires:

<b>“AIM”</b>	the market of that name operated by London Stock Exchange;
<b>“AIM Cancellation”</b>	the proposed cancellation of admission of the Ordinary Shares to trading on AIM;
<b>“AIM Rules”</b>	the AIM Rules for Companies of London Stock Exchange;
<b>“Announcement of discussions with Mercuria”</b>	the announcement made by the Company on 22 June 2022 that it was in discussions with Mercuria regarding the Cancellation and Exit Opportunity;
<b>“BASE”</b>	the Buenos Aires Stock Exchange;
<b>“BASE Cancellation”</b>	the proposed cancellation of admission of the Ordinary Shares to trading on BASE;
<b>“BASE Receiving Agent”</b>	Caja de Valores S.A;
<b>“Bridging Facility”</b>	means the non-convertible bridging facility agreement entered into between the Company and Mercuria on 29 April 2020, as subsequently amended, with a principal amount of US\$ 133.5 million;
<b>“Business Day”</b>	a day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for general business in London and Argentina;
<b>“Caja de Valores” or « CVSA »</b>	the Central Depository Agent for Negotiable Securities registered under N°19 of the CNV;
<b>“Cancellation”</b>	the AIM Cancellation and/or the BASE Cancellation (as applicable);
<b>“Cancellation Resolution”</b>	resolution 1 of the Resolutions;
<b>“Circular”</b>	this document;
<b>“CNV”</b>	the Argentine National Securities Commission;
<b>“Company” or “Phoenix”</b>	Phoenix Global Resources plc;
<b>“Convertible Facility”</b>	means the convertible facility agreement entered into between the Company and Mercuria on 24 July 2017, as subsequently amended, with a total principal amount of US\$ 291 million;
<b>“CREST”</b>	the electronic systems for the holding and transfer of shares in uncertificated form operated by Euroclear UK & International Limited;
<b>“Directors” or “Board”</b>	the directors of the Company whose names are set out on page 5 of this Circular;
<b>“Euroclear”</b>	Euroclear UK & International;

<b>“Exit Opportunity”</b>	the proposal by Mercuria to offer to purchase the Minority Shareholders’ Ordinary Shares: (i) at a price of 7.5 pence per Ordinary Share in respect of Ordinary Shares listed on AIM (the <b>“AIM Exit Opportunity”</b> ), and (ii) at a price of US\$0.0916 per Ordinary Share (using the US\$/GBP exchange rate at London market close on 2 August 2022) in respect of Ordinary Shares listed on BASE, further details of which are set out in this Circular (the <b>“BASE Exit Opportunity”</b> );
<b>“Exit Opportunity Form”</b>	the form provided by the Receiving Agent and which accompanies this Circular, in relation to participation in the AIM Exit Opportunity by those Shareholders who have Ordinary Shares listed on AIM and who hold shares in certificated form;
<b>“Form of Proxy”</b>	the form of proxy for use in relation to the General Meeting which accompanies this Circular;
<b>“GBP”</b>	pounds sterling or pence, the lawful currency of Great Britain;
<b>“General Meeting”</b>	the general meeting of the Company to be held at 1st Floor, 62 Buckingham Gate, London, SW1E 6AJ, at 11.00 a.m. on 1 September 2022;
<b>“Group”</b>	the Company, together with its subsidiaries;
<b>“Independent Directors”</b>	means those Directors who are deemed independent for the purposes of the Relationship Agreement, being Sir Michael Rake, John Bentley, Martin Bachmann and Tim Harrington;
<b>“Independent Director Resignations”</b>	the resignation of the Independent Directors, other than Sir Michael Rake and Martin Bachmann, with effect from the date on the AIM Cancellation is effective;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Mercuria”</b>	Mercuria Energy Group Limited;
<b>“Mercuria Facilities”</b>	means (i) the Mercuria Bridging Facility; and (ii) the Mercuria Convertible Facility;
<b>“Minority Shareholders”</b>	the holders of the Ordinary Shares not currently owned by Mercuria;
<b>“New Articles”</b>	the new articles of association of Phoenix to be adopted following the passing of the Re-registration Resolution;
<b>“Ordinary Shares”</b>	ordinary shares of 10 pence each in the capital of the Company;
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers;
<b>“Panmure Gordon”</b>	Panmure Gordon (UK) Limited
<b>“Receiving Agent”</b>	Share Registrars Limited;
<b>“Regulatory Information Service”</b>	has the meaning given to it in the AIM Rules;
<b>“Registrar”</b>	Share Registrars Limited;

<b>“Relationship Agreement”</b>	the relationship agreement entered into between, among others, the Company and Mercuria dated 24 July 2017, as subsequently amended;
<b>“Re-registration”</b>	the re-registration of Phoenix as a private limited company and the consequential adoption of the New Articles;
<b>“Re-registration Resolution”</b>	resolution 2 of the Resolutions;
<b>“Resolutions”</b>	the resolutions proposed to be passed at the General Meeting, being the Cancellation Resolution and the Re-registration Resolution;
<b>“Shareholder”</b>	a holder of Ordinary Shares;
<b>“Share Schemes”</b>	the Phoenix Global Resources Long Term Incentive Plan and the Phoenix Global Resources Deferred Bonus Plan;
<b>“Shore Capital”</b>	Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited;
<b>“Shore Capital and Corporate”</b>	Shore Capital and Corporate Limited, registered in England and Wales under company registration number 02083043, whose registered office is at Cassini House, 57 St James’s Street, London SW1A 1LD;
<b>“Shore Capital Stockbrokers”</b>	Shore Capital Stockbrokers Limited, registered in England and Wales under company registration number 1850105, whose registered office is at Cassini House, 57 St James’s Street, London SW1A 1LD;
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers;
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Broker(s)”</b>	together Shore Capital Stockbrokers Limited and Panmure Gordon;
<b>“US\$”</b>	US dollars, the lawful currency of the United States of America; and
<b>“VWAP”</b>	volume weighted average price.



## PART I

### LETTER FROM THE NON-EXECUTIVE CHAIRMAN

# PHOENIX GLOBAL RESOURCES PLC

*(incorporated in England and Wales with registered number 05083946)*

*Directors:*

Sir Michael Rake *(Non-Executive Chairman)*  
John Bentley *(Senior Independent Non-Executive Director)*  
Martin Bachmann *(Independent Non-Executive Director)*  
Tim Harrington *(Independent Non-Executive Director)*  
Nicolas Mallo Huergo *(Non-Executive Director)*  
Magid Shenouda *(Non-Executive Director)*

*Registered Office:*

1st Floor  
62 Buckingham Gate  
London  
SW1E 6AJ

3 August 2022

### **PROPOSED CANCELLATION OF LISTINGS, EXIT OPPORTUNITY, RE-REGISTRATION AND NEW ARTICLES AND NOTICE OF GENERAL MEETING**

*To Shareholders, persons with information rights in the Company, and, for information only, to participants under the Company's Share Schemes*

Dear Shareholder,

#### **1. Introduction**

On 22 June 2022 the Company announced it was in discussions with Mercuria, the Company's majority shareholder, in relation to the Company's potential delisting from trading on AIM and cancellation of its secondary listing on BASE, together with Mercuria providing Minority Shareholders with an exit opportunity. Earlier today, the Company announced the intended cancellation of admission of its Ordinary Shares to trading on AIM, delisting from public offer and trading in Argentina on BASE and cancellation of its secondary listing on BASE together with a proposed re-registration as a private limited company and details of an exit opportunity for Minority Shareholders, to be provided by Mercuria.

The Board believes that it is in the best interests of the Company to seek the Cancellation, Re-registration and, in agreeing to give their consent to Mercuria voting on the AIM Cancellation pursuant to the Relationship Agreement (as further detailed below), the Independent Directors consider it appropriate for Mercuria to provide Minority Shareholders with the Exit Opportunity. This letter sets out the reasons for, and implications of, the proposed Cancellation and Re-registration and provides further details on the expected process for the Cancellation, Re-registration and Exit Opportunity.

The Independent Directors for the purposes of the Relationship Agreement are Sir Michael Rake, John Bentley, Martin Bachmann and Tim Harrington. Nicolas Mallo Huergo is not considered an Independent Director by the Board for the purposes of the Relationship Agreement, which is based on the Board's determination of independence (under the UK Corporate Governance Code), as he is a board representative for certain Minority Shareholders. Magid Shenouda is not an Independent Director, as he is a board representative for Mercuria.

The Cancellation and Re-registration are conditional upon the respective Resolutions being passed at the General Meeting to be held at 11.00 a.m. on 1 September 2022, notice of which is set out at Part V of this Circular. Subject to the approval of the AIM Cancellation, the Company will take steps to cancel the admission of its Ordinary Shares to trading on AIM and to delist from public trading in Argentina on BASE and cancel its secondary listing on BASE, such that the Company will no longer be listed on any regulated

exchanges. The Exit Opportunity is not conditional upon the approval of the Resolutions at the General Meeting and will be open for acceptance from 3 August 2022 until 1.00 p.m. on 7 September 2022.

The Relationship Agreement provides that the Independent Directors must give their consent in order for Mercuria to be permitted to vote its Ordinary Shares on the Resolution in respect of the AIM Cancellation. The Independent Directors have agreed to consent to Mercuria voting its Ordinary Shares on the Resolution in respect of the AIM Cancellation for the reasons set out in this Circular, including Mercuria agreeing to make available the Exit Opportunity now as described in Section 4 below and given that Mercuria may not offer an Exit Opportunity in the future. Mercuria has irrevocably undertaken to vote its Ordinary Shares in favour of the Resolutions, as further explained in Section 14 below.

## **2. Relationship with Mercuria**

Mercuria is the major shareholder of the Company and its primary lender under the terms of a Bridging Facility and a Convertible Facility. The principal amount drawn down under the Mercuria Facilities is equal to US\$390.5 million (as at 30 June 2022). The Bridging Facility provides for a repayment date (principal and interest) and maturity date of 31 December 2022. The Convertible Facility provides for an interest payment grace period from 1 January 2019 to 30 September 2022 with a first repayment and maturity date of 31 December 2022. Mercuria has the right to convert all or part of the outstanding principal of the Convertible Facility into additional new ordinary shares of the Company at prices which vary between £0.45, £0.28 and £0.23 per share. These conversion rights can be exercised at any time up to 10 business days prior to the maturity date. The maximum dilution in respect of the Company's issued share capital assuming full exercise of the Convertible Facility is 3.2 per cent. Whilst the Conversion Price remains significantly above the current market price, Mercuria is unlikely to exercise these rights under the Convertible Facility. If, however, the Company is unable to repay any of the Mercuria Facilities when they become due and payable, the Company may be forced to agree that Mercuria converts the Convertible Facilities at prices which are significantly below the current conversion prices, which will result in greater dilution than the maximum dilution stated above.

Save for the Mercuria Facilities, as at 30 June 2022 the Company currently has US\$3.1 million of outstanding third-party debt obligations, by way of a loan agreement entered into with Banco de la Ciudad de Buenos Aires entered in 2017 and subsequently restructured and amended on 22 December 2020. It is expected that this loan will be repaid in full on 23 December 2022.

In its final results announcement for the financial year ended 31 December 2021, dated 27 May 2022, the Company announced that Mercuria had written to the Company stating its intention to continue to provide financial support to the Company, in order that it may continue to operate and service the Company's liabilities as they fall due in the period to 30 June 2023 and fund the planned work programs. Mercuria had also specifically agreed not to demand repayment of the existing loans (principal and interest) during this period. This letter, which by its nature is not legally binding, represents a letter of comfort stating Mercuria's intention, when the letter was provided, to continue to provide financial support until June 2023. With the existing maturity dates of each of the Mercuria Facilities being 31 December 2022, the Company and Mercuria will be required to reach agreement as to a restructure or extension of the Mercuria Facilities, in order to create legally binding obligations in respect of this intention.

Whilst it has taken more time than anticipated, the Company and Mercuria are still seeking to restructure the Mercuria Facilities. The Board still believes if the Company remains listed on AIM with the Relationship Agreement in place and with a majority of Independent Directors on the Board, that it will be able to agree the renegotiation of the Mercuria Facilities and formalise an agreement for new funding and that the Group and Company can continue as a going concern for the foreseeable future. However, the Board recognises that if the Company is unable to restructure the existing loan agreements from Mercuria or obtain funding from alternative sources (at an equivalent amount and on materially the same terms) and financial support is not, therefore, available over the period to 30 June 2023, this gives rise to a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If the Company was unable to fund its licence commitments, among other things, and subject to the terms of respective licences, this could result in financial penalties and/or termination of licences.

Given the substantial shareholding held by Mercuria in the Company and the potential dilutive impact of the Convertible Facility, combined with the Argentina country risk, the Board considers it unlikely that the Company will be able to attract material new investment from third party equity investors (i.e. investors with

no current connection to the Company). The Company has not as yet been successful in identifying alternative sources of capital of sufficient size and on acceptable terms to fund the Company's operations and capital expenditure programs and to fulfil its licence commitments. Potential investors have been approached by the Company in the past but were deterred by the early development stage of its assets and the Argentina country risk and its political and economic situation.

The Board has also considered the availability of third-party bank debt in the UK and Argentina to replace or reduce the dependence of the Company on Mercuria's ongoing financial support but have concluded that no such bank debt is presently available of sufficient size and on commercially reasonable and acceptable terms.

The Board considers that the Group is therefore currently almost exclusively dependent upon Mercuria's continued willingness to provide financial support to enable the Group to realise its business plan and exploration programs and satisfy the capital expenditure requirements which underpin this.

### **3. Other reasons for the Cancellation and Exit Opportunity**

The Board has considered the Company's ongoing suitability and eligibility to remain traded on AIM, given its increasing dependence on Mercuria and the level of Mercuria's shareholding in the Company.

The Board has also considered the shareholding structure of the Company which is such that there is both a limited free float and limited liquidity in the Ordinary Shares, with the consequence that the AIM quotation does not offer investors the opportunity to trade in meaningful volumes or with frequency within an active market.

In addition, the Board notes that the Company's secondary listing on BASE is pursuant to a special regime granted by the CNV with specific reference to and reliance on the Company's compliance with the AIM Rules. Therefore, following the AIM Cancellation, the Company would not be able to maintain its secondary listing on BASE in its current form.

### **4. Minority Shareholders and the Exit Opportunity**

As at the close of business on 1 August 2022 (being the latest practicable date prior to the publication of this Circular):

- Mercuria holds an interest in 2,332,816,686 Ordinary Shares representing 83.72 per cent. of the existing issued Ordinary Shares and voting rights in the Company; and
- the Minority Shareholders hold, in aggregate, 16.28 per cent. of the existing issued Ordinary Shares and voting rights in the Company.

Cancellation would materially affect the position of the Minority Shareholders in the Company. In particular, both the Board and Mercuria recognise that cancelling the trading of the Ordinary Shares on AIM and BASE will make it considerably more difficult for Shareholders to sell or buy Ordinary Shares should they wish to do so.

As Mercuria currently holds more than 50 per cent. of the Company's voting rights, it is able to acquire further interests in Ordinary Shares without incurring any obligation to make a general offer to all shareholders under Rule 9 of the Takeover Code. Mercuria has, therefore, agreed with the Independent Directors of the Company that, as part of the Independent Directors granting their consent to Mercuria voting on the Cancellation Resolution pursuant to the Relationship Agreement, Mercuria would provide the Exit Opportunity to Minority Shareholders, to enable Minority Shareholders to sell their Ordinary Shares in the Company to Mercuria, in advance of the Cancellation taking effect. Mercuria has not undertaken to provide a dealing facility or similar trading arrangement following the Cancellation.

The Independent Directors of the Company have provided their consent to Mercuria voting on the AIM Cancellation Resolution for the reasons set out in this Circular, including Mercuria agreeing to make available the Exit Opportunity now as described in this Section 4 and given the possibility that Mercuria may not offer an Exit Opportunity in the future. In reaching their conclusion to give their consent to Mercuria to vote on the AIM cancellation, the Independent Directors have considered the independent financial advice and the asset valuation reports prepared for the Independent Directors by independent financial advisers.

The terms of the Exit Opportunity are:

- a purchase price of 7.5 pence per Ordinary Share in respect of Ordinary Shares listed on AIM and a purchase price of US\$0.0916 per Ordinary Share (using the US\$/GBP exchange rate at London market close on 2 August 2022) in respect of Ordinary Shares listed on BASE, which represents:
  - a 25 per cent. premium to the closing mid-market price per Ordinary Share on AIM on 21 June 2022 (being the latest practicable date prior to the publication of the Announcement of discussions with Mercuria); and
  - an approximate 67 per cent. premium to the 30 day VWAP per Ordinary Share on AIM on 21 June 2022 (being the last practicable date prior to the Announcement of discussions with Mercuria);
- the Exit Opportunity shall remain open from 3 August 2022 until 1.00 p.m. on 7 September 2022; and
- any sale of Ordinary Shares by Minority Shareholders will be free of trading costs to the seller applied by the Receiving Agent, which will be borne by Mercuria.

Whilst Nicolas Mallo Huergo considers it appropriate for Mercuria to provide Minority Shareholders with an exit opportunity, he does not agree with the Exit Opportunity price as he considers that it undervalues the Company. Although the Independent Directors make no recommendation to Minority Shareholders in relation to their participation in the Exit Opportunity, they do not agree with Nicolas's view for the reasons set out in this document. Nicolas Mallo Huergo intends to sell all of his holding of Ordinary Shares through the Exit Opportunity.

Minority Shareholders who wish to sell their Ordinary Shares to Mercuria pursuant to the Exit Opportunity should refer to Section 5 below.

Minority Shareholders do not have to sell any Ordinary Shares pursuant to the Exit Opportunity if they do not wish to do so. However, Minority Shareholders who elect not to sell their Ordinary Shares pursuant to the Exit Opportunity or otherwise in the market by other means prior to the Cancellation will, on completion of the Cancellation and Re-registration, hold Ordinary Shares in a private limited company.

Furthermore, as set out in further detail in Section 10 below, following the AIM Cancellation:

- Mercuria has not agreed to provide any dealing facility for dealing in the Ordinary Shares and no price will be publicly quoted for the Ordinary Shares and so it will be significantly more difficult for Shareholders to sell their shares;
- the Relationship Agreement between the Company and Mercuria will terminate, with the effect that, *inter alia*, there shall be no ongoing contractual obligation upon Mercuria to ensure that the Company carries on its business independently of Mercuria;
- the Company will be a private limited company registered with the Registrar of Companies in England and Wales in accordance with and subject to the Companies Act 2006 and the New Articles;
- the Company will no longer be required to comply with the AIM Rules or CNV regulations (and accordingly, Shareholders will no longer be afforded the protections given by the AIM Rules and CNV regulations). Specifically, and among other things, there will be no obligation on the Company to include the information required under Rule 26 of the AIM Rules or to make announcements and/or update the website as required by the AIM Rules;
- each of the Independent Directors (other than Sir Michael Rake and Martin Bachmann) have agreed to resign. Therefore, following the AIM Cancellation, the Company will only have two independent directors;
- there may be positive or negative taxation consequences for Shareholders. Stamp duty or Stamp Duty Reserve Tax (SDRT) will be payable on any transfers post the AIM Cancellation; and
- it is expected the Takeover Code will cease to apply to the Company.

The Exit Opportunity is not conditional upon the Resolutions being passed at the General Meeting.

## 5. Participation in the Exit Opportunity

**For Minority Shareholders who hold their Ordinary Shares in certificated form and AIM Minority Shareholders, please refer to Part III of this Circular for full details as to how to participate in the AIM Exit Opportunity. A summary of the process for acceptance is included below:**

- Minority Shareholders who hold their Ordinary Shares in certificated form who wish to participate in the Exit Opportunity should complete the Exit Opportunity Form as soon as possible in accordance with the instructions set out therein and return the completed Exit Opportunity Form by post or by hand (during normal business hours) to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX to arrive no later than 1.00 p.m. on 7 September 2022. A pre-paid reply envelope for use in the United Kingdom is enclosed for your convenience.
- AIM Minority Shareholders who hold Ordinary Shares in CREST who wish to participate in the Exit Opportunity should comply with the procedures set out in the Part III of this document headed “Terms and Conditions of the Exit Opportunity” in respect of transferring uncertificated Ordinary Shares in escrow through CREST. The Transfer To Escrow instruction must settle by no later than 1.00 p.m. on 7 September 2022.

Shareholders who return an Exit Opportunity Form or who complete an acceptance in CREST are still be permitted to vote their Ordinary Shares at the General Meeting and so should also return a Form of Proxy as set out in Section 13 below.

**For BASE Minority Shareholders, who hold their Ordinary Shares through Caja de Valores in Argentina, you will need to follow the procedures to be communicated to you by the CVSA to accept the BASE Exit Opportunity and accordingly the detail set out in Part III of this Circular in respect of the AIM Exit Opportunity is not relevant to you. BASE Minority Shareholders will not be permitted to accept the AIM Exit Opportunity. Neither Euroclear nor Caja de Valores in Argentina are permitted to participate in the AIM Exit Opportunity.**

## 6. Payment of Consideration

The following methods and currencies will be available for the payment of the purchase price in respect of the Exit Opportunity:

- to Minority Shareholders who hold their Ordinary Shares in certificated form will be made, by way of cheque, in GBP;
- to AIM Minority Shareholders who hold their Ordinary Shares in CREST will be made through CREST, by Share Registrars Limited (on behalf of Mercuria) procuring the creation of a payment obligation in favour of the payment banks of accepting Shareholders in accordance with the CREST payment arrangements, in GBP; and
- to BASE Minority Shareholders who hold their Ordinary Shares through Caja de Valores in Argentina in US\$, in accordance with the notice to be issued by the CVSA once it has received the corresponding information from the international central depository, Euroclear or by any other procedure determined by such entities. Delivery of cash to BASE Minority Shareholders for the Ordinary Shares to be purchased pursuant to the Exit Opportunity will be made by the CVSA in accordance with these procedures. The CVSA will act as depository and paying agent in the Exit Opportunity, for the purpose of receiving the cash and transmitting such cash to BASE Minority Shareholders.

## 7. Re-registration

Following the proposed Cancellation, the Board believes that the requirements and associated costs of the Company maintaining its public company status will be difficult to justify and that the Company will benefit from the more flexible requirements and lower overhead costs associated with private limited company status. It is therefore proposed to re-register the Company as a private limited company.

In connection with the Re-registration, it is proposed that the New Articles be adopted to reflect the change in the Company's status to a private limited company. The principal effects of the adoption of the New Articles on the rights and obligations of Shareholders and the Company are summarised in Part II of this Circular and a blackline version of the New Articles, showing the proposed amendments to the Company's



existing articles of association, is available on the Company's website at the following link (and will also be available for inspection at the General Meeting): [www.phoenixglobalresources.com](http://www.phoenixglobalresources.com).

Subject to and conditional upon the AIM Cancellation and the BASE Cancellation and the passing of the Re-registration Resolution, an application will be made to the Registrar of Companies for the Company to be re-registered as a private limited company. Re-registration will take effect when the Registrar of Companies issues a certificate of incorporation on Re-registration. The Registrar of Companies will not issue the certificate of incorporation on Re-registration until the Registrar of Companies is satisfied that no valid application can be made to cancel the resolution to re-register as a private limited company. Any such application must be made within 28 days after the passing of the Re-Registration resolution and may be made on behalf of the persons entitled to make it by such one or more of their number as they may appoint for the purpose.

Under the Companies Act 2006, it is a requirement that Re-registration and adoption of the New Articles must be approved by not less than 75 per cent. of votes cast by shareholders at a general meeting. Accordingly, the Notice of General Meeting set out at Part V of this Circular contains special resolutions to approve the Cancellation, Re-registration and the adoption of the New Articles.

If the Re-registration Resolution is passed at the General Meeting and the Registrar of Companies issues a certificate of incorporation on Re-registration, it is anticipated that the Re-registration will become effective by 29 September 2022.

## **8. Process for AIM Cancellation**

Under Rule 41 of the AIM Rules, it is a requirement that AIM Cancellation must be approved by not less than 75 per cent. of votes cast by shareholders at a general meeting. In addition, any AIM listed company that wishes for the London Stock Exchange to cancel the admission of its shares to trading on AIM is required to notify shareholders and to separately inform the London Stock Exchange of its preferred cancellation date at least 20 Business Days prior to such date.

Accordingly, the Board are hereby convening the General Meeting to vote on the AIM Cancellation Resolution and have notified the London Stock Exchange of the Company's intention, subject to the AIM Cancellation Resolution being passed at the General Meeting, to cancel the Company's admission of the Ordinary Shares to trading on AIM on 15 September 2022. AIM Cancellation will not take effect until at least five clear Business Days have passed following the passing of the AIM Cancellation Resolution and a dealing notice has been issued.

If the AIM Cancellation Resolution is passed at the General Meeting, it is proposed that the last day of trading in Ordinary Shares on AIM will be 14 September 2022 and that AIM Cancellation will take effect at 7.00 a.m. on 15 September 2022.

As set out in Section 14 below, Mercuria, the Company's largest shareholder, which is currently interested in approximately 83.72 per cent. of the Ordinary Shares, has given an irrevocable undertaking to the Company to vote in favour of the Resolutions. Given the Independent Directors have, pursuant to the Relationship Agreement, consented to Mercuria voting its Ordinary Shares on the AIM Cancellation Resolution for the reasons explained in this Circular and Mercuria has irrevocably undertaken to vote in favour of the Resolutions, the Directors believe it is very likely that the Resolutions will be passed at the General Meeting. This does not, however, preclude Shareholders from attending and voting (whether in person or proxy) at the General Meeting.

## **9. CNV and BASE filings**

The Company will file with the CNV and BASE the relevant information in connection with the Exit Opportunity and will request the delisting from the public offer and trading in Argentina on BASE. If the AIM Cancellation is approved at the General Meeting, supporting documentation will then be submitted to the CNV and BASE. The CNV will then issue a resolution authorising the delisting and inform BASE of such decision, in order for BASE to cancel the public trading of the Company's shares in Argentina on BASE without any further requirement.

## 10. Principal disadvantages and advantages of voting in favour of the Cancellation

The Board considers that, in deciding whether or not to vote in favour of the Cancellation, Minority Shareholders should take their own independent advice and consider carefully the disadvantages and advantages of the Cancellation (including, but not limited to, those set out below) in light of their own financial circumstances and investment objectives.

### **Disadvantages of voting in favour of the Cancellation**

- (i) the Relationship Agreement between the Company and Mercuria would terminate on the date on which the AIM Cancellation is effective, with the effect that, *inter alia*, there shall be no ongoing contractual obligation upon Mercuria to ensure that the Company carries on its business independently of Mercuria or that transactions and relationships between Mercuria and the Company are at arm's length and on normal commercial terms. In addition, following termination of the Relationship Agreement, there will no longer be any contractual obligation on Mercuria to ensure that the Company has a majority of independent directors on the Board, nor that the Company has an independent director appointed to the Board to represent the interests of minority shareholders;
- (ii) there will no longer be a formal market mechanism enabling Shareholders to trade their Ordinary Shares on AIM, through the secondary listing on BASE or any other recognised market or trading exchange. Whilst the Ordinary Shares will remain freely transferable, Mercuria has not committed to providing any dealing facility post Cancellation and the Ordinary Shares will be more difficult to sell compared to shares of companies traded on AIM, BASE or any other recognised market or trading exchange. It may also be more difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- (iii) the Company will be a private limited company registered with the Registrar of Companies in England and Wales in accordance with and subject to the Companies Act 2006 and the New Articles. The Company will no longer be required to comply with the AIM Rules or CNV regulations (and accordingly, Shareholders will no longer be afforded the protections given by the AIM Rules and CNV regulations). In particular, and among other things: (i) the Company will not be required to make any public announcements of material events, announce its interim or final results, comply with any of the corporate governance practices applicable to AIM companies, announce substantial transactions and related party transactions, comply with the requirement to obtain shareholder approval for reverse takeovers and fundamental changes in the Company's business, or maintain a website containing the information required by the AIM Rules; (ii) Shore Capital and Corporate will cease to be the Company's nominated adviser and the Company will cease to retain a nominated adviser; and (iii) Shore Capital Stockbrokers and Panmure Gordon will cease to be the Company's broker and the Company will cease to retain a broker. The Company will no longer be subject to the Market Abuse Regulation regulating inside information (among other things). The Company will no longer be subject to the Disclosure Guidance and Transparency Rules and will therefore, among other things, no longer be required to publicly disclose major shareholdings in the Company;
- (iv) each of the Independent Directors, other than Sir Michael Rake and Martin Bachmann, have signed an agreement with the Company, confirming their resignation as Directors with effect from the date on which the AIM Cancellation is effective. Therefore, following the AIM Cancellation, the Company will only have two independent directors;
- (v) it is expected that the Company's CREST facility will continue for a period of up to six months post the AIM Cancellation becoming effective, following which it will be cancelled and, although the Ordinary Shares will remain transferable following such cancellation, they will cease to be transferable through CREST. Shareholders who currently hold Ordinary Shares in CREST will, following such cancellation, receive share certificates;
- (vi) the Board understands that Mercuria proposes to procure that the Company continues to maintain its website [www.phoenixglobalresources.com](http://www.phoenixglobalresources.com) and to post updates on that website from time to time, although as described above, Shareholders should be aware that there will be no obligation on the Company to include the information required under Rule 26 of the AIM Rules or to make announcements and/or update the website as required by the AIM Rules and there is no obligation on the Company or future Board directors to maintain the website or post updates to it;
- (vii) the Cancellation might have either positive or negative taxation consequences for Shareholders (Shareholders who are in any doubt about their tax position should consult their own professional

independent adviser immediately). Following cancellation of the AIM listing, all transfers of Ordinary Shares in the Company will be liable for stamp duty or SDRT; and

- (viii) following the AIM Cancellation and Re-registration and the Independent Director Resignations, it is expected that the Company will no longer remain subject to the Takeover Code, in relation to which further details are set in Section 11 below.

### ***Advantages of voting in favour of the Cancellation***

- (i) As set out above, the Group's ability to continue as a going concern beyond June 2023 is currently dependent exclusively upon Mercuria's continued willingness to provide financial support. If Mercuria withdrew its financial support and the Company was unable to source alternative finance, this may cast doubt on the Company's ability to continue as a going concern. The Directors cannot assure Minority Shareholders of this continued support following Cancellation, but believe the Cancellation (including the associated reduction in administrative costs) will be attractive to Mercuria and enhance the likelihood of the continuance of their financial support;

**The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them, and their shareholding in the Company and whether or not to vote in favour of the Cancellation.**

As stated in Section 14 below, as the Company has received an irrevocable undertaking from Mercuria (representing approximately 83.72 per cent. of the Ordinary Shares) to vote in favour of the Resolutions, the Resolutions are expected to be passed at the General Meeting and the Cancellation is expected to occur.

## **11. Takeover Code**

The Takeover Code currently applies to the Company. However, as noted above, given Mercuria currently holds more than 50 per cent. of the Company's voting rights, it is able to acquire further interests in Ordinary Shares without incurring any obligation to make a general offer to all shareholders under Rule 9 of the Takeover Code.

Following the AIM Cancellation and Re-registration and the Independent Director Resignations, it is expected that the Company will no longer remain subject to the Takeover Code, as a result of its failure to satisfy the residency test (i.e. where the majority of the Board continue to be resident in the UK, Channel Islands or Isle of Man).

This may change should the Board appoint additional directors to the Company as, if the Company had a majority of directors resident in the United Kingdom, Channel Islands or the Isle of Man, the Takeover Code would continue to apply, in the period of 10 years following the AIM Cancellation.

A summary of the protections afforded to Shareholders by the Takeover Code, which are expected to be lost on AIM Cancellation and Re-registration, is set out in Part IV of this Circular.

## **12. Current trading**

Since the Company's final results for the year ended 31 December 2021, announced on 27 May 2022 and the drilling update announced on 25 July 2022, the Group has continued trading without any material changes and continues to be reliant on the financial support of Mercuria.

## **13. General Meeting actions to be taken**

Cancellation, Re-registration and the adoption of the New Articles requires the passing of the Cancellation Resolution and the Re-registration Resolution at the General Meeting. Accordingly, a Notice of the General Meeting convening a meeting to be held at the offices of the Company on 1 September 2022 at 11.00 a.m. is set out at Part V of this Circular.

Whether or not you propose to attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it, duly signed, together with any power of attorney under which it is executed, as soon as possible but in any event so as to arrive not later than



11.00 a.m. on 30 August 2022. Completion and return of a Form of Proxy will not preclude a member from attending and voting at the General Meeting should they wish. Shareholders who return a completed Exit Opportunity Form shall still be permitted to vote their shares at the General Meeting and so should also return a Form of Proxy.

#### **14. Irrevocable undertakings**

The Board has received an irrevocable undertaking from Mercuria (representing approximately 83.72 per cent. of the Ordinary Shares), to vote in favour of the Resolutions which remains binding subject to a long stop date of 15 September 2022 on which it terminates. The irrevocable undertaking from Mercuria also requires Mercuria to provide the Exit Opportunity on the terms and conditions set out in this document.

Accordingly, the Resolutions are expected to be passed at the General Meeting.

#### **15. Director intentions**

John Bentley, Nicolas Mallo Huergo and I intend to sell all of our holdings of Ordinary Shares, equivalent to approximately 0.06 per cent. of the Company's issued share capital, through the Exit Opportunity. None of the other Directors hold any Ordinary Shares in the Company.

#### **16. Recommendation**

**The Board considers the Cancellation, the Re-registration and the adoption of the New Articles to be in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions.**

**The Independent Directors and Nicolas Mallo Huergo consider it appropriate that those Minority Shareholders who are unable or unwilling to hold shares in the Company following the Cancellation should be given an opportunity to realise their investment under the Exit Opportunity. However, the Independent Directors and Nicolas Mallo Huergo make no recommendation to Minority Shareholders in relation to their participation in the Exit Opportunity; Minority Shareholders should consult their duly authorised independent advisers before they make a decision as to whether to sell some, all, or none of their Ordinary Shares, in order to obtain advice relevant to their particular circumstances.**

Nevertheless, Shareholders should, when making their decision whether or not to avail themselves of the Exit Opportunity, bear in mind, *inter alia*, the following:

- 1. The loss of the listing, and resultant loss of liquidity, should the Cancellation take effect;**
- 2. The fact that Mercuria has not undertaken to provide any dealing facility going forwards post Cancellation;**
- 3. The loss of the protections of the AIM Rules and CNV regulations, particularly with regard to approvals and disclosure obligations, should the Cancellation take effect;**
- 4. The expected loss of the protections of the Takeover Code, should the AIM Cancellation take effect;**
- 5. The loss of the protections afforded by the Relationship Agreement in respect of the Company's independence from Mercuria following its termination upon the AIM Cancellation;**
- 6. The Exit Opportunity purchase price represents, (i) a 25 per cent. premium to the closing mid-market price per Ordinary Share on AIM on 21 June 2022, being the last practicable date prior to the date of the Announcement of discussions with Mercuria; and (ii) an approximate 67 per cent. premium to the 30 day VWAP per Ordinary Share on AIM on 21 June 2022, being the last practicable date prior to the date of the Announcement of discussions with Mercuria; and**

- 7. The Exit Opportunity is being made available now and there is no assurance that any exit opportunity may be made available in future, including at this price.**

Yours faithfully

**Sir Michael Rake**  
*Chairman*

## **PART II**

### **PRINCIPAL CHANGES ARISING FROM THE RE-REGISTRATION AND THE NEW ARTICLES**

#### **1. Accounts**

A public company is required to file its accounts within six months following the end of its financial year and then to circulate copies of the accounts to Shareholders. Following the Re-registration and the adoption of the New Articles, the period for the preparation of accounts is extended to nine months following the end of the financial year. The Company will still be required to circulate accounts to Shareholders (although the period for doing so is extended for private companies).

#### **2. General meetings and resolutions**

A public company is required to hold an annual general meeting of Shareholders each year, whereas a private company is not. Therefore, following the Re-registration and the adoption of the New Articles the Company is not expected to hold annual general meetings.

In addition, after the Re-registration, resolutions of the Shareholders of the Company may be obtained via written resolutions, rather than via physical meetings. This is done by obtaining the approval in writing to that resolution of the holders of a majority of voting shares then in issue (in the case of ordinary resolutions) and the holders of 75 per cent. of the voting shares then in issue (in the case of special resolutions).

#### **3. Directors**

The Company's existing articles of association contain provisions requiring each Director to retire from office at the third annual general meeting after the annual general meeting or general meeting (as the case may be) at which he was appointed or last re appointed. These provisions have been removed in the New Articles.

#### **4. Issue of shares for non-cash consideration**

As a public company, there are restrictions on the ability of the Company to issue new shares, for example, by requiring the Company to obtain a valuation report in the case of shares issued for non-cash consideration. These restrictions will not apply following the Re-registration and adoption of the New Articles.

#### **5. Refusal to register a share transfer**

The Board will in the New Articles have absolute discretion to refuse to register any share transfer that is not made in accordance with the share transfer provisions in the New Articles (whether the share is paid up or not).

#### **6. Financial assistance, reductions of capital and purchase of own shares out of capital**

As a public limited company, the Company is currently prohibited from performing actions which constitute financial assistance for the acquisition of its own shares. This limits the ability of the Company to engage in certain transactions. However, following the Re-registration, these restrictions will no longer apply.

In addition, the Company must currently obtain the sanction of the Court for any reduction of capital, which can be a lengthy and expensive process. However, following the Re-registration, the Company will be able to take advantage of more flexible provisions applicable to private companies, which do not require the approval of the Court. Similarly, following Re-registration, the Company will be able to effect buy backs of shares out of capital, which it is currently prohibited from doing as a public limited company.

#### **7. Company Secretary**

As a public company, the Company is required to appoint a company secretary. There is no such requirement for private company although the Company may appoint one should it wish.

## **8. Removal of unnecessary provisions and simplification**

The New Articles will not contain many of the detailed provisions of the existing articles of association which are common for listed companies, and which will not be necessary for the Company following the Cancellation. Many of these provisions duplicate provisions of company law or can be simplified.

These include provisions relating to:

- (a) the form of resolutions;
- (b) the requirement to keep accounting records;
- (c) commissions; and
- (d) interest in shares.

## PART III

### PROCEDURE FOR AIM MINORITY SHAREHOLDERS SELLING ORDINARY SHARES

There are different procedures for sale under the Exit Opportunity depending on whether your Ordinary Shares are held in certificated or uncertificated form and, if in uncertificated form, whether your Ordinary Shares are traded on AIM or BASE.

If your Ordinary Shares are traded on BASE, you will need to follow the procedures to be communicated to you by the CVSA in order to accept the BASE Exit Opportunity and accordingly the detail set out in the remainder of this Part III is not relevant to you. If you are a BASE Minority Shareholder you are not permitted to accept the AIM Exit Opportunity and any such purported acceptance will be treated as invalid. Neither Euroclear nor Caja de Valores in Argentina are permitted to participate in the AIM Exit Opportunity.

If you hold Ordinary Shares in certificated form, you may seek to sell only by completing and returning the Exit Opportunity Form in accordance with the procedure set out in paragraph 1 below.

If you hold Ordinary Shares in uncertificated form (that is, in CREST), you may seek to sell only by TTE Instruction in accordance with the procedure set out in paragraph 2 below and, if those Ordinary Shares are held under different account IDs, you should send a separate TTE Instruction for each member account ID.

If you are in any doubt as to how to complete the Exit Opportunity Form or as to the procedure for sale under the AIM Exit Opportunity, please contact Share Registrars Limited by telephone on 01252 821 390. Additional Exit Opportunity Forms are available from Share Registrars Limited by telephone on 01252 821 390.

Please note that, for legal reasons, Share Registrars Limited is only able to provide information contained in this document, information relating to the Company's register of members and information regarding completion of forms and is unable to give advice on the merits of the Exit Opportunity or to provide legal, financial, tax or investment advice. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST sponsor before taking any action.

#### **1. Procedure for Ordinary Shares held in certificated form.**

##### **1.1 Completion of Exit Opportunity Forms**

To sell your Ordinary Shares held in certificated form, (that is, not in CREST) you must complete, sign and return the Exit Opportunity Form in accordance with the instructions printed on the Exit Opportunity Form.

##### **1.2 Return of Exit Opportunity Forms**

The completed and signed Exit Opportunity Form should be sent either by post or by hand (during normal business hours) to Share Registrars Limited at 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX, so as to arrive no later than 1.00 p.m. on 7 September 2022. No Exit Opportunity Forms received after this time will be accepted. Pre-paid reply envelopes are enclosed with the Exit Opportunity Forms. No acknowledgement of receipt of documents will be given and all documents sent to, from, by or on behalf of the Shareholder are sent at his/her own risk.

The completed and signed Exit Opportunity Form should be accompanied by the relevant Ordinary Share certificate(s) and/or other document(s) of title. If your Ordinary Share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent or have been lost), the Exit Opportunity Form should nevertheless be completed, signed and returned as described above so as to be received by Share Registrars Limited not later than 1.00 p.m. on 7 September 2022 together with any Ordinary Share certificate(s) and/or other document(s) of title you may have available, accompanied by a letter stating that the (remaining)

Ordinary Share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter.

If you have lost your Ordinary Share certificate(s) and/or other document(s) of title, you should write to the Company's Registrars, Share Registrars Limited, for a letter of indemnity in respect of the lost Ordinary Share certificate(s) which, when completed in accordance with the instructions given, should be returned to Share Registrars Limited as soon as possible at the address referred to at the beginning of paragraph 1.2.

The Receiving Agent, acting as your agent, will effect such procedures as are required to transfer your Ordinary Shares to Mercuria under the AIM Exit Opportunity.

### 1.3 **Validity of Exit Opportunity Forms**

Notwithstanding the powers in paragraph 4 below, the Receiving Agent (acting on the instruction of Mercuria), reserves the right to treat as valid only Exit Opportunity Forms which are received entirely in order by 1.00 p.m. on 7 September 2022, which are accompanied by the relevant Ordinary Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof. The decision of the Receiving Agent (acting on the instruction of Mercuria) as to validity shall be conclusive and binding on Shareholders who participate in the AIM Exit Opportunity.

## 2. **Procedure for Ordinary Shares held in uncertificated form**

### 2.1 **CREST Transfer Instruction**

If the Ordinary Shares which you wish to sell are held in uncertificated form (that is, in CREST), you must take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares which you wish to sell in the AIM Exit Opportunity to an escrow balance, specifying Share Registrars Limited in its capacity as a CREST Receiving Agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles not later than 1.00 p.m. on 7 September 2022.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction to CREST Co in relation to the Ordinary Shares which you wish to sell.

You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the ISIN number for the Ordinary Shares, this is: GB00B7LHJ340;
- the number of Ordinary Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, Share Registrars Limited, in its capacity as a CREST receiving agent, this is: 7RA36;
- the member account ID of the escrow agent, Share Registrars Limited, this is MERPGR01;
- the Corporate Action Number for the Exit Opportunity. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the Intended Settlement Date for the TTE instruction. This should be as soon as possible and, in any event, by no later than 1.00 p.m. on 7 September 2022;
- input with standard delivery instructions of 80; and
- a contact name and number in the shared note field on the TTE Instruction.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by Share

Registrars Limited as your agent until completion of the Exit Opportunity. At the completion of the Exit Opportunity, Share Registrars Limited will transfer the Ordinary Shares which are accepted for purchase by Mercuria to itself as agent for Mercuria, for onward transfer to Mercuria.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

## **2.2 CREST Procedures and Timings**

You 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 connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 7 September 2022. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST normal procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Exit Opportunity (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Exit Opportunity (in particular, as regards delivery of Ordinary Share certificates and/or other documents of title or transfer to an escrow balance as described above) prior to 1.00 p.m. on 7 September 2022.

If you are in any doubt as to the procedures for tendering Ordinary Shares in CREST, if you are a registered Shareholder, please contact Share Registrars Limited by telephone on (if calling from the UK) 01252 821390, or (if calling from overseas) +44 1252 821390. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

## **3. Settlement**

### **3.1 Closing of the Exit Opportunity**

The Exit Opportunity will close for acceptances from Shareholders at 1.00 p.m. on 7 September 2022 and it is expected that on 9 September 2022, the Company will make a public announcement of the total number of Ordinary Shares acquired by Mercuria under the Exit Opportunity.

### **3.2 Payment of Purchase Price**

Delivery of cash to Shareholders for the Ordinary Shares to be purchased pursuant to the AIM Exit Opportunity will be made by the Receiving Agent. Cash payments will be settled in GBP.

The Receiving Agent will act as agent for Shareholders participating in the AIM Exit Opportunity, for the purpose of receiving the cash and transmitting such cash to such Shareholders. Save as set out in paragraph 5.9 hereto, under no circumstances will interest be paid on the cash to be paid by the Company, Mercuria or the Receiving Agent regardless of any delay in making such payment.

### **3.3 Return of Documents**

If any Ordinary Shares are not purchased because of an invalid submission, relevant certificates evidencing any such Ordinary Shares and other documents of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the participating Shareholder, or in the case of Ordinary Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE instruction to the original available balances to which those Ordinary Shares relate.

### 3.4 **Settlement of the Consideration**

Settlement of the consideration to which any Shareholder is entitled pursuant to valid submissions accepted by the Receiving Agent (on behalf of Mercuria):

- (a) where the Ordinary Shares are held in certificated form (that is, not in CREST) will be made by way of cheque. Cheques for the consideration due will be despatched by Share Registrars Limited by first class post to the person or agent whose name and address is set out in Box 1A (or, if relevant, Box 4 of the Exit Opportunity Form) at such person's risk. All cash payments will be made in GBP by cheque drawn on a branch of a UK clearing bank and shall despatched within 15 days of the date that the Exit Opportunity closes.
- (b) where the Ordinary Shares are held in uncertificated form (that is, in CREST) will be paid through CREST, by Share Registrars Limited (on behalf of Mercuria) procuring the creation of a payment obligation in GBP in favour of the payment banks of accepting Shareholders in accordance with the CREST payment arrangement and shall be made within 15 days of the date that the Exit Opportunity closes.

The payment of any consideration to Shareholders for Ordinary Shares pursuant to the AIM Exit Opportunity will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of certificates and/or other requisite documents evidencing such Ordinary Shares, a properly completed and duly executed Exit Opportunity Form and any other documents required by the AIM Exit Opportunity.

If only part of a holding of Ordinary Shares held in certificated form is sold pursuant to the AIM Exit Opportunity, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Ordinary Share(s) that remain unsold.

## **4. Representations, Warranties and Undertakings**

Each Shareholder by whom, or on whose behalf, an Exit Opportunity Form is executed or a TTE instruction is input irrevocably undertakes, represents, warrants and agrees to and with the Receiving Agent (on behalf of Mercuria) so as to bind him, his personal representatives, heirs, successors and assigns that:

- (a) the execution of the Exit Opportunity Form or input of a TTE instruction (which shall have effect as a participation in the Exit Opportunity) shall constitute an offer to sell to Mercuria pursuant to the AIM Exit Opportunity the number of Ordinary Shares inserted in Box 1A of the Exit Opportunity Form or included in the TTE instruction, in each case, on and subject to the terms and conditions set out or referred to in this document and/or the Exit Opportunity Form and that, once lodged, such offer shall be irrevocable;
- (b) such Shareholder has full power and authority to sell, assign or transfer the Ordinary Shares in respect of which such AIM Exit Opportunity is accepted (together with all rights attaching thereto) and, when the same are purchased by Mercuria, Mercuria will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the date of this Circular, including the right to receive all dividends and other distributions declared, paid or made after that date;
- (c) the execution of the Exit Opportunity Form will constitute the irrevocable appointment of any director or officer of the Receiving Agent or the Company as such Shareholder's attorney and/or agent ("attorney"), and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Ordinary Shares referred to in sub-paragraph (a) above in favour of Mercuria or such other person or persons as Mercuria may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the Share certificate(s) and/or other document(s) relating to such Ordinary Shares, for registration within six months of the closing of the AIM Exit Opportunity and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the AIM Exit Opportunity and to vest in Mercuria or its nominee(s) or such other person(s) as Mercuria may direct;
- (d) the input of the TTE instruction will constitute the irrevocable appointment of Share Registrars Limited as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent,



to transfer to Mercuria by means of CREST (or to such person or persons as Mercuria may direct) all of the Ordinary Shares referred to in sub-paragraph (a) above;

- (e) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Company and the Receiving Agent (on behalf of Mercuria) or any of their directors or any person nominated by the Receiving Agent (on behalf of Mercuria) or the Company in the proper exercise of its or his or her powers and/or authorities hereunder;
- (f) if such Shareholder holds Ordinary Shares in certificated form, he, she or it will deliver to Share Registrars Limited their Share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in sub-paragraph (a) above, or an acceptable indemnity in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter;
- (g) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company or the Receiving Agent (on behalf of Mercuria) to be desirable, in each case to complete the sale and purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (h) such Shareholder has fully observed any applicable legal requirements and that the invitation under the AIM Exit Opportunity may be made to and accepted by him under the laws of the relevant jurisdiction and such Shareholder is not accepting the AIM Exit Opportunity from a Restricted Territory;
- (i) such Shareholder has not received or sent copies or originals of this document or the Exit Opportunity Form or any related documents to a Restricted Territory and has not otherwise utilised in connection with the AIM Exit Opportunity, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce or of any facility of a national securities exchange, of any Restricted Territory, that the AIM Exit Opportunity Form has not been mailed or otherwise sent in, into or from any Restricted Territory and that such Shareholder is not accepting the AIM Exit Opportunity from any Restricted Territory;
- (j) the provisions of the Exit Opportunity Form shall be deemed to be incorporated into the terms and condition of the AIM Exit Opportunity;
- (k) in the case of Ordinary Shares held in uncertificated form (that is, in CREST) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements will, to the extent of the obligations so created, discharge fully any obligation of Mercuria (via the Receiving Agent) to pay to such Shareholder the cash consideration to which he is entitled under the AIM Exit Opportunity;
- (l) in the case of Ordinary Shares held in certificated form, the despatch of a cheque by the Receiving Agent in respect of the consideration due to a Shareholder at his registered address or such other address as is specified in the Exit Opportunity Form will constitute a complete discharge by Mercuria of its obligations to make such payment to such Shareholder;
- (m) on execution the Exit Opportunity Form takes effect as a deed;
- (n) such Shareholder is not participating in the AIM Exit Opportunity on behalf of or for the benefit of any BASE Minority Shareholder; and
- (o) the execution and delivery of the Exit Opportunity Form or the input of a TTE instruction constitutes such Shareholder's submission to the jurisdiction of the Court in relation to all matters arising out of or in connection with the AIM Exit Opportunity or the Exit Opportunity Form. A reference in this paragraph 4 to a Shareholder includes a reference to the person or persons executing the Exit Opportunity Form and in the event of more than one person executing a Exit Opportunity Form, the provisions of this paragraph will apply to them jointly and to each of them.

## **5. Additional Provisions**

### **5.1 Acceptance of AIM Exit Opportunity**

All tenders of Ordinary Shares held in certificated form must be made on the relevant prescribed Exit Opportunity Form, fully completed in accordance with the instructions set out therein which constitute part of the terms of the AIM Exit Opportunity.

Each Shareholder may accept the AIM Exit Opportunity for some of or all of their holding of Ordinary Shares. If the Receiving Agent (on behalf of Mercuria) determines (in its absolute discretion) the Exit

Opportunity Form has not been validly completed, provided that the Exit Opportunity Form is otherwise in order and accompanied by all other relevant documents, the tender may be accepted as a valid tender in respect of the whole of the tendering Shareholder's holding of Ordinary Shares.

#### **5.2 No revocation of acceptance**

Each Shareholder who tenders or procures the acceptance of Ordinary Shares in the AIM Exit Opportunity will thereby be deemed to have agreed that such Shareholder will not revoke his tender or withdraw his Ordinary Shares. Shareholders should note that once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.

#### **5.3 Omission of delivery**

Any omission to despatch this document or the Exit Opportunity Form or any notice required to be despatched under the terms of the AIM Exit Opportunity to, or any failure to receive the same by any person entitled to participate in the AIM Exit Opportunity shall not invalidate the AIM Exit Opportunity in any way or create any implication that the AIM Exit Opportunity has not been made to any such person.

#### **5.4 No acknowledgment**

No acknowledgement of receipt of any Exit Opportunity Form, Ordinary Share certificate(s) and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.

#### **5.5 Powers of Attorney**

All powers of attorney and authorities on the terms conferred by or referred to in this Part III or in the Exit Opportunity Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.

#### **5.6 Governing Law**

The AIM Exit Opportunity will be governed by and construed in accordance with English law.

#### **5.7 Defined Terms**

The definitions set out in this document apply to the terms and conditions set out in this Part III.

#### **5.8 Closing of Exit Opportunity**

The AIM Exit Opportunity is open to Shareholders on the Register from the date of this document and will close at 1.00 p.m. on 7 September 2022. No Exit Opportunity Form, Ordinary Share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted.

#### **5.9 Payment of Consideration**

The consideration payable by Mercuria in respect of valid tenders in the AIM Exit Opportunity is expected to be paid within 15 days of the close of the AIM Exit Opportunity. In the event that, at the fault of Mercuria, consideration is not paid by Mercuria to a Shareholder by such date then Mercuria shall pay interest on such consideration to the relevant Shareholder at a rate of 2 per cent. per annum. Payment of the consideration in respect of the AIM Exit Opportunity by Mercuria to Euroclear on behalf of investors who hold through Euroclear shall constitute a valid discharge of Mercuria's obligations to pay the consideration in respect of the AIM Exit Opportunity in respect of investors who hold through Euroclear.

#### **5.10 Additional Copies**

Further copies of this document and copies of the Exit Opportunity Form may be obtained on request from Share Registrars Limited.

## PART IV

### THE TAKEOVER CODE

The Takeover Code currently applies to the Company. Following the AIM Cancellation, the Re-registration and the Independent Director Resignations, it is expected that the Company will no longer remain subject to the Takeover Code, as a result of its failure to satisfy the residency test (i.e. where the majority of the Board continue to be resident in the UK, Channel Islands or Isle of Man). This may change should the Board appoint additional directors to the Company as, if the Company had a majority of directors resident in the United Kingdom, Channel Islands or the Isle of Man, the Takeover Code would continue to apply, in the period of 10 years following the AIM Cancellation.

**Shareholders should note that, if the AIM Cancellation the Re-Registration and the Independent Director Resignations become effective, they will not receive the protections afforded by the Takeover Code in the event that there is a subsequent offer to acquire their Ordinary Shares.**

Brief details of the Panel, the Takeover Code and the protections given by the Takeover Code are described below.

**Before giving your consent to the Re-registration of the Company as a private company, you may want to take independent professional advice from an appropriate independent financial adviser.**

#### **The Takeover Code**

The Takeover Code is issued and administered by the Panel. The Company is a company to which the Takeover Code currently applies and its Shareholders are accordingly currently entitled to the protections afforded by the Takeover Code.

The Takeover Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Takeover Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

#### **The General Principles and Rules of the Takeover Code**

The Takeover Code is based upon a number of general principles (the “**General Principles**”) which are essentially statements of standards of commercial behaviour. For your information, these General Principles are set out in Part 1 of Appendix A of this Part IV. The General Principles apply to all transactions with which the Takeover Code is concerned. They are expressed in broad general terms and the Takeover Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Takeover Code contains a series of rules (the “**Rules**”), of which some are effectively expansions of the General Principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as the letter of the Rules. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

#### **Giving up the protection of the Takeover Code**

A summary of key points regarding the application of the Takeover Code to takeovers generally is set out in Part 2 of Appendix A of this Part IV.

**You are encouraged to read this information carefully as it outlines certain important protections which will cease to apply following AIM Cancellation and the main place of residence of the Company’s board ceasing to be in the UK.**

## APPENDIX A

### **Part 1: The General Principles of the Takeover Code**

All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected.

The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the bid; where it advises the holders of securities, the board of the offeree company must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the company's places of business.

The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid.

False markets must not be created in the securities of the offeree company, of the offeror company, or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.

An offeror must announce a bid only after ensuring that he/she can fulfil in full any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration.

An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

### **Part 2: Detailed application of the Takeover Code**

The following is a summary of key provisions of the Takeover Code which apply to transactions to which the Takeover Code applies. You should note that after the AIM Cancellation and the main place of residence of the Company's board ceasing to be in the UK you will be giving up protections afforded by the Takeover Code.

#### ***Equality of treatment***

General Principle 1 of the Takeover Code states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

#### ***Information to shareholders***

General Principle 2 requires that holders of securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on a bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

#### ***The opinion of the offeree board and independent advice***

The board of the offeree company is required by Rule 3.1 of the Takeover Code to obtain competent independent advice as to whether the financial terms of an offer are fair and reasonable and the substance of such advice must be made known to its shareholders. Rule 25.2 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business.

The circular from the offeree company must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that, except with the consent of the Panel or as provided in the Notes on Rule 20.1, information and opinions relating to an offer or a party to an offer must be made equally available to all offeree company shareholders and persons with information rights as nearly as possible at the same time and in the same manner.

***Optionholders and holders of convertible securities or subscription rights***

Rule 15 of the Takeover Code provides that when a Takeover Code offer is made for voting equity share capital or other transferable securities carrying voting rights and the offeree company has convertible securities outstanding, the offeror must make an appropriate offer or proposal to the stockholders to ensure their interests are safeguarded. Rule 15 also applies in relation to holders of options and other subscription rights.

**If the AIM Cancellation occurs and the main place of residence of the Company's board ceases to be in the UK, all of these protections under the Code will be lost.**

## PART V

### NOTICE OF GENERAL MEETING

# PHOENIX GLOBAL RESOURCES PLC

*(incorporated in England and Wales with registered number 05083946)*

Notice is hereby given that a General Meeting of the Company will be held at 11.00 a.m. on 1 September 2022 at the offices of 1st Floor, 62 Buckingham Gate, London, SW1E 6AJ to consider and, if thought fit, pass the following resolutions, which will be proposed as special resolutions.

### SPECIAL RESOLUTIONS

1. THAT, in accordance with Rule 41 of the AIM Rules for Companies, the cancellation of the admission to trading on AIM of the ordinary shares of 10 pence each in the capital of the Company be and is hereby approved and the directors of the Company be authorised to take all actions necessary or desirable to effect such cancellation.
2. THAT, subject to and conditional upon the AIM Cancellation and the BASE Cancellation becoming effective, and pursuant to section 97 of the Act:
  - (a) the Company be re-registered as a private company with the name "Phoenix Global Resources Limited"; and
  - (b) the regulations contained in the printed document submitted to the meeting and for the purpose of identification signed by the Chairman be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

Date: 3 August 2022

*Registered Office:*  
1st Floor  
62 Buckingham Gate  
London  
SW1E 6AJ

*By Order of the Board*

**Nigel Duxbury**  
*Company Secretary*

**Notes:**

1. A member entitled to attend and vote at the General Meeting is entitled to appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the General Meeting. A member can appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. Your proxy could be the chairman, another director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the General Meeting for your vote to be counted. Details of how to appoint the chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the General Meeting and voting in person.
3. An appointment of proxy is provided with this notice and instructions for use are shown on the form. You can register your vote(s) for the General Meeting either: by logging on to [www.shareregistrars.uk.com](http://www.shareregistrars.uk.com), clicking on the "Proxy Vote" button and then following the on-screen instructions; or by post or by hand to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX using the proxy form accompanying this notice; or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 5 below. In order for a proxy appointment to be valid the proxy must be received by Share Registrars Limited by 11.00 a.m. on 30 August 2022. Please note that any electronic communication sent to our registrars in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted.
4. To change your proxy instructions you may return a new proxy appointment using the methods set out above. 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 the Company's registrars, Share Registrars Limited, 3 The Millennium Centre, Farnham, Surrey GU9 7XX. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.
5. Appointment of proxies via CREST: (a) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. (b) In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, in order to be valid, must be transmitted so as to be received by the Company's agent (ID 7RA36) by the latest time for receipt of proxy appointments specified in the Notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. (c) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. (d) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. Only those shareholders registered in the Register of Members of the Company as at 11.00 a.m. on 30 August 2022 (or, if the General Meeting is adjourned, on the date which is two days before the time of the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting or adjourned General Meeting in respect of the number of shares registered in their respective names at that time. Changes to the Register of Members after that time will be disregarded in determining the rights of any person to attend or vote at the General Meeting or adjourned General Meeting.
7. Any corporation which is a member can appoint one or more corporate representatives. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
8. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
9. As at 1 August 2022 (being the last practicable date before the publication of this notice), the Company's issued share capital consisted of 2,786,644,709 ordinary shares carrying one vote each. The Company holds 73,922 shares in treasury. Therefore, the total voting rights in the Company are 2,786,570,787.
10. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [www.phoenixglobalresources.com](http://www.phoenixglobalresources.com).
11. As soon as practicable following the General Meeting, the results of the voting at the General Meeting will be announced via a Regulatory Information Service and also placed on the Company's website: [www.phoenixglobalresources.com](http://www.phoenixglobalresources.com).
12. You may not use any electronic address provided or referred to in this Notice of General Meeting to communicate with the Company for any purposes other than those expressly stated.

