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

If you have sold or otherwise transferred all of your Existing Ordinary Shares in Ascent Resources plc, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

However, such documents should not be forwarded, transmitted or distributed, taken, published, reproduced, sent or otherwise made available by any means, directly or indirectly, including electronic transmission, in, into or from the United States, Australia, Canada, South Africa, New Zealand, Japan or any other jurisdiction where to do so would be in breach of any other law and/or regulation. Less than 3% of the Company's Ordinary Shares are held in each of the aforementioned jurisdictions at the time of posting this document. Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

The Directors, whose names and functions appear on page 10 of this document, and the Company accept responsibility, both collectively and individually, for the information contained in this document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (''FCA''), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange plc or any other authority or regulatory body.

Ascent Resources plc

(Incorporated in England and Wales under the Companies Act 1985 with Registered No. 05239285)

Subscription for up to 1,875,000,000 new Ordinary Shares at 0.8 pence per share
Redemption and conversion of 2013 Convertible Loan Notes
Conversion of 2014 Convertible Loan Notes
Approval of the Waiver by the Takeover Panel
and
Notice of General Meeting

Nominated Adviser & Broker

finnCap

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Ascent Resources plc which is set out in Part I of this document.

finnCap Ltd ("**finnCap**"), which is regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange is acting as nominated adviser and broker to Ascent Resources plc and no one else in connection with the proposals described in this document and will not be responsible to anyone other than Ascent Resources plc for providing the protections afforded to clients of finnCap or for providing advice in relation to such proposals. No representation or warranty, express or implied, is made by finnCap as to the accuracy, completeness or fairness of any information in this document and finnCap accepts no responsibility or liability for this document and accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document.

Notice convening a general meeting of the Company, to be held at the offices of finnCap, 60 New Broad Street, London EC2M 1JJ, at 10.30 a.m. on 5 June 2014 is set out at the end of this document. The accompanying Form of Proxy for use at the General Meeting should be completed and returned to Computershare Investor Services Plc, PO Box 82, The Pavillions, Bridgwater Road, Bristol, BS99 7NH as soon as possible and to be valid must arrive by no later than 10.30 a.m. on 3 June 2014.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at the offices of finnCap at 60 New Broad Street, London, EC2M 1JJ, from the date of this document. This document will be available to download from the Company's website at www.ascentresources.co.uk

CONTENTS

ENCLOSURES

Form of Proxy

Prepaid Reply Envelope – (for use within the UK only)

DEFINITIONS

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

"2013 CLNs" or "2013 Convertible Loan Notes"	the 9% convertible loan notes of £1 each, convertible into 200 Ordinary Shares and repayable on 31 January 2015, of which 4,951,907 have been issued and which include the Incentive Loan Notes
"2013 CLN Proposal"	the offer by the Company to all holders of 2013 CLNs to acquire 50 per cent. of the principal amount outstanding of the 2013 CLNs held by them (inclusive of all accrued interest thereon) at a price of £3.00 per £1.00 in nominal value of 2013 CLNs held and the conversion of the remaining 50 per cent. of the outstanding principal amount of the 2013 CLNs (together with accrued interest) held by them into 200 new Ordinary Shares per £1.00 principal of 2013 CLNs (or accrued interest thereon)
"2013 Conversion Shares"	up to 544,734,432 new Ordinary Shares arising from the conversion of 2013 CLNs pursuant to the 2013 CLN Proposal
"2013 Convertible Loan Note Instrument"	the convertible loan note instrument dated 23 December 2012 pursuant to which the 2013 Convertible Loan Notes are constituted, the principal terms of which are summarised in paragraph 8.9 of Part IV of this document
"2014 CLNs" or "2014 Convertible Loan Notes"	the 9% convertible loan notes of £1 each, convertible into 100 Ordinary Shares and repayable on 31 January 2015, of which £2m have been issued
"2014 CLN Conversion"	the conversion by Henderson of the 2014 CLNs into 125 new Ordinary Shares per £1.00 principal of 2014 CLNs (which amount shall discharge the Company in respect of any accrued interest thereon)
"2014 Conversion Shares"	the 249,999,875 new Ordinary Shares arising from the 2014 CLN Conversion
"2014 Convertible Loan Note Instrument"	the convertible loan note instrument dated 4 February 2014 pursuant to which the 2014 Convertible Loan Notes are constituted, the principal terms of which are summarised in paragraph 8.6 of Part IV of this document
"Act"	the Companies Act 2006, as amended from time to time
"Admission"	admission of the Initial Subscription Shares, the 2014 Conversion Shares and the 2013 Conversion Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM rules for Companies published by the London Stock Exchange from time to time
"Annual General Meeting"	the 2014 annual general meeting of the Company
"Articles"	the articles of association of the Company (as amended from time to time)
"Ascent Italia"	Ascent Resources Italia S.r.l.
"Ascent Italia SPA"	the sale and purchase agreement dated 19 July 2013 between the Company and GPS in relation to acquisition by GPS of the entire issued share capital of Ascent Italia, the principal terms of which are summarised in paragraph 8.2 of Part IV of this document

"Associated Proposals"	the 2013 CLN Proposal and the 2014 CLN Conversion
"Computershare"	Computershare Investor Services PLC
"certificated form" or **"in certificated form"**	an ordinary share recorded on a company's share register as being held in certificated form (namely, not in CREST)
"Circular"	this document containing information about the Subscription, Associated Proposals and General Meeting
"Closing Price"	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
"Company" or **"Ascent"**	Ascent Resources plc
"Concert Party"	together, GPS and Ascent Italia
"CPP"	central processing plant
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the operator (as defined in those regulations)
" CREST Manual"	the rules governing the operation of CREST, consisting of the CREST Reference Manual, Crest International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline rules, CREST Courier and Sorting Services Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended) as published by Euroclear
"Darwin"	Darwin Strategic Limited
"Darwin SEDA"	the standby equity distribution agreement made between Darwin and the Company, details of which are set out in paragraph 8.11 of Part IV of this document
"Directors" or **"Board"**	the directors of the Company as at the date of this document whose names and functions are set out on page 10 of this document, or any duly authorised committee thereof
"DTR"	the Disclosure Rules and Transparency Rules published by the FCA
"Escrow Agent"	the Receiving Agent, in its capacity as escrow agent for the purpose of the 2013 CLN Proposal
"Enlarged Issued Share Capital"	the Ordinary Shares in issue immediately following Admission, comprising the Existing Ordinary Shares, the Initial Subscription Shares, the Warranty Shares, the 2013 Conversion Shares and the 2014 Conversion Shares
"Euroclear"	Euroclear UK & Ireland Limited
"EU"	the European Union
"Existing Ordinary Shares"	the Ordinary Shares in issue at the date of this document
"Existing Issued Share Capital"	1,451,507,909 Ordinary Shares
"FCA"	the UK Financial Conduct Authority

"finnCap"	finnCap Ltd, the Company's nominated adviser and broker
"Form of Proxy"	the form or proxy for use in connection with the General Meeting which accompanies this document
"FSMA"	the Financial Services and Markets Act 2000 (as amended from time to time)
"Further Admission"	admission of the Further Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
"Further Enlarged Issued Share Capital"	the Ordinary Shares in issue immediately following the Further Admission, comprising the Enlarged Issued Share Capital and the Further Subscription Shares
"Further Subscription"	the subscription by GPS for the Further Subscription Shares at the Issue Price, subject to the conditions set out in the Subscription Agreement
"Further Subscription Shares"	up to 412,500,000 new Ordinary Shares to be issued pursuant to the Further Subscription
"General Meeting" or	the General Meeting of the Company convened for 10.30 a.m. on 5 June 2014
"GPS"	Global Power Sources S.r.l.
"Group"	the Company and its existing subsidiaries and subsidiary undertakings
"Henderson"	(1) Henderson Global Investors Limited in its capacity as discretionary investment manager of The Strathclyde Pension Fund and Henderson UK and Irish Smaller Companies Fund; and (2) Henderson Alternative Investment Advisor Limited in its capacity as discretionary investment manager of The Alphagen Volantis Fund Limited, Henderson UK Small Cap Best Ideas Fund and The Citigroup Pension Plan Investment Committee, both of 201 Bishopsgate, London EC2M 3AE, or either of them as the context shall require
"Henderson Letter"	the letter dated 16 May 2014 between the Company and Henderson, the principal terms of which are summarised in paragraph 8.14 of Part IV of this document
"Henderson Irrevocable Undertaking"	the agreement dated 16 May 2014 between the Company, GPS and Henderson, the principal terms of which are summarised in paragraph 8.13 of Part IV of this document
"Incentive Loan Notes"	the 63,644 and 17,500 2013 CLNs subscribed by Len Reece and Clive Carver respectively
"Incentive Scheme"	Ascent Resources 2013 Long Term Incentive Plan, as summarised in paragraph 8.16 of Part IV
"Independent Directors"	the directors of the Company excluding Clive Carver and Len Reece
"Independent Shareholders"	the shareholders of the Company excluding Henderson, GPS, Ascent Italia and holders of the 2013 CLNs
"Initial Subscription"	the subscription by GPS for the Initial Subscription Shares at the Issue Price pursuant to the terms of the Subscription Agreement

"Initial Subscription Shares"	the 1,462,500,000 new Ordinary Shares to be issued pursuant to the Initial Subscription
"ISIN"	International Securities Identification Number
"Issue Price"	0.8 pence per Ordinary Share
"London Stock Exchange"	London Stock Exchange plc
"Notice of General Meeting" or "Notice"	the notice of General Meeting set out at the end of this document
"Options"	an option over Ordinary Shares granted by the Company
"Ordinary Shares"	ordinary shares of 0.1 pence each in the capital of the Company
"Phase I"	the bringing on-stream of the Pg-10 and Pg-11A wells, the connection of the gas stream to the local methanol plant, the commissioning of a new CPP and the connection of the gas stream to the Slovenian national grid
"Phase II"	further development of the Petišovci project
"Prospectus Rules"	the Prospectus Rules published by the FCA
"Receiving Agent"	Computershare Investor Services PLC
"Relationship Agreement"	the relationship agreement dated 16 May 2014 between the Company, GPS, Henderson and Ascent Italia, effective conditional upon completion of the Initial Subscription, the principal terms of which are summarised in paragraph 8.15 of Part IV of this document
"Resolutions"	the resolutions set out in the Notice
"RIS"	a regulatory information service approved by the London Stock Exchange for the purposes of the AIM Rules
"Shareholders"	holders of Ordinary Shares from time to time
"Slovenian Joint Venture"	the arrangements created under the agreements referred to in paragraph 8.1 of Part IV of this document for the management and operation of the Petišovci project and, where applicable, refers to Ascent Slovenia Limited acting as the manager of the project
"Subscription"	together, the Initial Subscription and the Further Subscription
"Subscription Agreement"	the agreement dated 16 May 2014 between the Company and GPS, the principal terms of which are summarised in paragraph 8.12 of Part IV of this document
"Subscription and Warranty Resolution Agreement"	the agreement dated 18 December 2013 between the Company and GPS pursuant to which, inter alia, GPS agreed to subscribe for Ordinary Shares and to settle a potential warranty claim under the Ascent Italia SPA, further details of which are set out in paragraph 8.5 of Part IV
"Subscription Conditions"	has the meaning set out in paragraph 8.12 of Part IV of this document
"Takeover Code" or the **"Code"**	The City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time
"Takeover Panel"	the Panel on Takeovers and Mergers

"TTE instruction"	A Transfer to Escrow instruction (as defined by the CREST Manual)
''United Kingdom" or **"UK"**	the United Kingdom of Great Britain and Northern Ireland
"uncertificated" or **"in uncertificated form"**	an ordinary share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST
"Waiver"	the waiver by the Takeover Panel of the requirements of Rule 9 of the Takeover Code described in paragraph 7 or of Part I of this document
"Warranty Shares"	the 7,000,000 Ordinary Shares to be issued to GPS under the terms of the Subscription and Warranty Resolution Agreement, following approval by Shareholders of the relevant resolution authorising the issue of such shares at the Company's Annual General Meeting to be held on 5 June 2014
"Whitewash"	the approval of the Waiver
"Whitewash Resolution"	Resolution 1 in the Notice
"WRS"	Salomon Werner HAB Privee Limited, formerly known as Salomon Partners WRS Werner Rothschild & CIE Limited

A reference to £ is to pounds sterling, being the lawful currency of the UK.

SUBSCRIPTION STATISTICS

Issue Price	0.8p
Number of Existing Ordinary Shares in issue at the date of this document	1,451,507,909
Warranty Shares to be issued following the Annual General Meeting	7,000,000
Number of Initial Subscription Shares	1,462,000,000
Number of Further Subscription Shares	412,500,000
Gross proceeds of the Initial Subscription	£11,700,000
Gross proceeds of the Further Subscription	£3,300,000
Number of 2014 Conversion Shares	249,999,875
Maximum number of 2013 Conversion Shares	544,734,432
Number of Ordinary Shares in issue at Admission*	3,715,742,216
Number of Ordinary Shares in issue following Further Admission*	4,128,242,216

**assuming all 2013 CLN holders accept the 2013 CLN Proposal*

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of Subscription and Associated Proposals	16 May 2014
Dispatch of this document	19 May 2014
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.30 a.m. on 3 June 2014
General Meeting	10.30 a.m. on 5 June 2014
Latest time and date for acceptance of 2013 Conversion Proposal	3.00 p.m. on 4 June 2014
Expected date of admission to trading on AIM and commencement of dealings in Warranty Shares	8.00 a.m. on 6 June 2014
Expected date of admission to trading on AIM and commencement of dealings in Initial Subscription Shares, 2013 Conversion Shares and 2014 Conversion Shares	8.00 a.m. on 6 June 2014
CREST accounts to be credited with Initial Subscription Shares, 2013 Conversion Shares and 2014 Conversion Shares	8.00 a.m. on 6 June 2014
Share certificates dispatched by	20 June 2014

Save for the date of dispatch of this document, each of the times and dates above are subject to change. Any such change will be notified to Shareholders by an announcement on a Regulatory Information Service.

PART I
LETTER FROM THE CHAIRMAN OF THE COMPANY

Ascent Resources plc

(Incorporated and registered in England and Wales with registered number 05239285)

Directors:

Clive Carver (*Non-executive Chairman)*
Leonard Reece *(Chief Executive Officer)*
Cameron Davies *(Non-executive Director)*
Nigel Moore *(Non-executive Director*)

Registered Office:

5 Charterhouse Square
London
EC1M 6EE

16 May 2014

To Shareholders and holders of 2013 CLNs and 2014 CLNs and, for information purposes only, to the holders of Options,

Dear Shareholder and holder of 2013 CLNs and 2014 CLNs,

Subscription for up to 1,875,000,000 Ordinary Shares at 0.8 pence per share
Redemption and Conversion of 2013 Convertible Loan Notes
Conversion of 2014 Convertible Loan Notes
Approval of the Waiver by the Takeover Panel
and
Notice of General Meeting

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1. Introduction

For some time your Board has been working to secure additional funding to accelerate the development of the Petišovci project. We have also been seeking to address the Company's reliance on short-term debt to fund its operations.

I am therefore pleased to report that Ascent has, conditional upon, *inter alia*, Independent Shareholder approval, agreed terms for up to £7.6 million in new equity funding for the Petišovci project and a further £7.4 million to help restructure the Company's balance sheet. The equity funding has been agreed at 0.8 pence per Ordinary Share, a premium of some 33.3 per cent. to the closing mid-market price of 0.6 pence per Ordinary Share on 15 May 2014.

The purpose of this circular is to set out the background to the Subscription and to convene a shareholder meeting to consider, and if thought fit, approve the Subscription, the Waiver and Associated Proposals.

These proposals have been agreed since the notice of Annual General Meeting, convened for 30 May 2014 but now postponed to 5 June 2014, was despatched and the proposals for the issues of Ordinary Shares set out in this circular will, if approved by Shareholders, replace those proposed to be authorised at the Annual General Meeting (other than as regards the Warranty Shares).

2. Background

Development of the Petišovci project

The Company's objective is to bring Phase I of the Petišovci project into production with the minimum of expense and delay. This involves bringing its two existing wells Pg-10 and Pg-11A into production and deepening several other existing wells, requiring a new central processing plant to be built and a connection to the national gas grid. This phase of the project would, subject to the negotiation of acceptable terms, also include supplying gas to the adjacent methanol plant when that becomes operational.

Together with the production anticipated under Phase II, it is expected that the Petišovci fields could supply Slovenia's gas requirements for up to 10 years.

In theory much of the expenditure required for Phase I could be funded by project finance. However, in practice, the banks approached by the Board for potential funding required the permitting to be completed before they would advance funding for construction.

In the past 12 months, Slovenia has adopted in full two new EU Directives. Compliance with these and other EU Directives that govern permitting, together with the need to comply with EU public procurement rules mean that it could be another 12 months before the permitting phase for the sale of treated gas to the Slovenian national grid is completed and conventional project finance is obtainable.

The long lead time of items required for the construction phase, the imposition of EU rules on public procurement for equipment and contractors waiting until after the permitting is completed before placing orders for equipment and services may, in the absence of taking any other action, result in revenues from the sale of treated gas being delayed until the end of 2015.

Income from the sale of the Company's untreated gas to the owners of the adjacent methanol plant, which is hoped to commence in Q3 2014, cannot at this stage be guaranteed. While such income would provide an ongoing and important income stream, in the Board's opinion it would not on its own in the short term provide sufficient funding to allow the development of the Petišovci project to progress at a pace likely to optimize the returns for Ascent shareholders or to meet our partners' expectations. Establishing the ability to sell the Company's treated gas to the Slovenian national grid remains our priority.

Therefore Ascent has entered into a conditional agreement, subject to the Subscription Conditions, to raise up to £7.6 million for the development of the Petišovci project by way of the Subscription. The Board believes this will materially speed up the development of Phase I of the Petišovci project and advance the start of Phase II.

Balance sheet restructuring

Approximately 90 per cent. of the funding raised by the Company in the last two years has been achieved by the issue of the 2013 CLNs and the 2014 CLNs. Whilst useful in allowing the Petišovci project to move forward, unless converted, both the 2013 CLNs and the 2014 CLNs represent a potential material drain on the Company's finances. In particular, the 2013 CLNs in issue are due for repayment in January 2015, amounting to a liability of approximately £5 million.

The existence of such debt levels may also restrict the availability of project debt finance once the permitting phase has been completed.

Your Board has therefore conditionally agreed, subject to satisfaction of the Subscription Conditions, to a further £7.4 million being injected into the Company by way of the Subscription in order to restructure Ascent's balance sheet and significantly reduce the Company's debt levels.

3. Terms of the Subscription Agreement

Ascent has entered into the Subscription Agreement with GPS, further details of whom are set out in paragraph 5 below, under which, conditional upon satisfaction of the Subscription Conditions, GPS will subscribe up to £15 million for up to 1,875,000,000 new Ordinary Shares at a price of 0.8 pence per Ordinary Share, representing a 33.3 per cent. premium to the closing mid-market price of 0.6 pence per Ordinary Share on 15 May 2014.

Under the Subscription Agreement and subject to the Subscription Conditions, the Subscription will take place in two tranches. The first tranche will result in the payment of £11.7 million to the Company and the issue of the Initial Subscription Shares and will take place immediately following the satisfaction of the Subscription Conditions. The second tranche, comprising the Further Subscription, will result in the payment of a further £3.3 million to the Company, and may occur at any time thereafter at the instigation of GPS subject to the admission of the Further Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules, provided that the Company shall be entitled to require GPS to make the Further Subscription on 30 days prior written notice once either of the following milestones in the development of the Petišovci project has been satisfied:

A. (i) the methanol plant located adjacent to the Slovenian Joint Venture's gas wells Pg-10 and Pg-11A having been brought back into production; and (ii) not later than 31 October 2014 the company operating/owning/controlling such methanol plant having entered into a minimum 3 years contract with Ascent Slovenia Limited as Manager of the Slovenian Joint Venture to buy at least 100million/m3 of untreated gas per year at a price determined as at least 85% of the prices quoted in euro per megawatt hour for firm, physical delivery of gas at the notional trading point, the Central European Gas Hub (CEGH)'s Virtual Trading Point (which includes Baumgarten, Austria); and (iii) the Slovenian Joint Venture having commenced production of gas from its gas wells Pg-10 and Pg-11A at at least the rate of 100,000 m3 per day; OR

B. (i) the Slovenian Joint Venture having obtained not later than 31 December 2014 all necessary governmental, environmental and any other permits/approvals/consents from the local authorities necessary to construct on its current/new site and bring into operation a gas treatment plant (new CPP and scrubbing unit) which is capable of treating gas at at least the rate of 1 million m3 per day; (ii) the total cost budgeted cost for that plant not exceeding €7 million; and (iii) the Company having secured sufficient funding (loan or equity funding) in order to assist in the financing of the construction of that plant.

Further details of the Subscription Agreement are set out in paragraph 8.12 of Part IV of this document.

Completion of the Initial Subscription by GPS will also satisfy and discharge all of GPS' outstanding obligations to subscribe for Ordinary Shares under the Subscription and Warranty Resolution Agreement. Further details of the Subscription and Warranty Resolution Agreement are set out in paragraph 8.5 of Part IV of this document.

4. Associated Proposals

2013 CLN Proposal

A condition of the Subscription Agreement is that up to £7.4 million of the proceeds of the Initial Subscription shall be used to fund an offer by the Company to holders of 2013 CLNs to repurchase and cancel up to 50 per cent. of the outstanding principal amount of the 2013 CLNs (inclusive of accrued interest thereon) at a price of 300 pence per £1.00 principal of 2013 CLNs.

A condition of this offer is that holders of 2013 CLNs must also convert the remaining 50 per cent. of the outstanding principal amount of the 2013 CLNs plus accrued interest thereon held by them into new Ordinary Shares at the conversion price of 0.5 pence per Ordinary Share.

Henderson, Len Reece and Clive Carver have all irrevocably undertaken to accept the 2013 CLN Proposal, representing 96.4 per cent. in principal amount of the total 2013 CLNs in issue.

Details of the terms and conditions of the 2013 CLN Proposal can be found in Appendix I to this document.

2014 Conversion

A further condition of the Subscription Agreement is that Henderson irrevocably undertakes to convert the 2014 CLNs into new Ordinary Shares at a price of 0.8 p per Ordinary Share. No interest accrued on the 2014 CLNs will be paid by the Company. Henderson has therefore, in return for certain undertakings from the Company and GPS, irrevocably undertaken to each of the Company and GPS, inter alia:

a) immediately following the Initial Subscription, to enter into the 2014 Conversion; and

b) immediately following the Initial Subscription, to tender 50 per cent. of the 2013 CLNs owned by Henderson for repurchase by the Company and to convert the remaining 50 per cent. of the 2013 CLNs owned by Henderson, in each case in accordance with the 2013 CLN Proposal.

Further details of the Henderson Irrevocable Undertaking can be found in paragraph 8.13 of Part IV.

5. GPS

GPS was incorporated on 23 June 2013 as a financial holding company duly organised and existing under the laws of Italy. GPS was incorporated originally to acquire Ascent Italia from Ascent pursuant to the Ascent Italia SPA. Ascent Italia is now a subsidiary of GPS. GPS's strategy is to create a balanced portfolio of energy assets ranging from oil and gas to renewable energy. Since its incorporation, acquisitions made by GPS have ranged from hydroelectric plants, wind farms and biomass plants.

GPS and Ascent Italia together currently hold 300,126,793 Ordinary Shares in aggregate, representing 20.7 per cent. of the Existing Share Capital. A further 7,000,000 Ordinary Shares are, following the Company's Annual General Meeting to be held at 11.00 a.m. on 5 June 2014, due to be issued to GPS under the terms of the Subscription and Warranty Resolution Agreement, further details of which are set out in paragraph 8.5 of Part IV of this document.

Together GPS and Ascent Italia form a concert party for the purposes of the Takeover Code. The interests of the Concert Party in the share capital of Ascent following the Subscription and Associated Proposals, and associated implications for existing Shareholders are set out in paragraph 7 below.

Further information on the Concert Party is set out in paragraph 1 of Part III.

On 14 February 2014, GPS entered into a joint venture agreement with WRS, a newly incorporated asset management company, and subsequently entered into a replacement agreement on 14 February 2014 (together, the "Joint Venture Agreement"), under which WRS undertook to provide, directly or indirectly,

GPS with up to EURO 90 million in order to provide GPS with the necessary financial resources to acquire ordinary shares in Ascent and to finance the first phase of development of the Petisovci project. In exchange for providing the funding, GPS is to provide a return to WRS based on the outcome of its investment in and loans to the Company. The provision of such funding by WRS to GPS is not a loan, there is no time limit on the funding arrangement and nor is there any right for WRS to call for repayment of the funding or the disposal of any interest held by GPS in, or loan to, the Company.

WRS will not have an interest in, or security over, the Ordinary Shares held by GPS or any loans advanced by GPS to the Company, and it will have no rights to direct or control any action or decision on the part of GPS (with regard to the Company or otherwise).

Neither WRS nor its ultimate owners nor any persons having control of WRS holds (and GPS understand that no such person intends to acquire any interest in) any shares of either GPS or the Company.

6. Current Trading and Prospects

The Company released its audited accounts for the year ended 31 December 2013 on 10 April 2014. In those accounts we stated that the Company has two principal opportunities for generating value. The first is to bring the Petišovci field into production and tie into the Slovenian national grid. The second is to sell untreated gas produced at the Petišovci field to the adjacent methanol plant.

Provided either of these two outcomes occur with the minimum of delay, the prospects for the Company to achieve significant revenues in the foreseeable future look encouraging.

7. Rule 9 Whitewash

The Takeover Code governs, inter alia, transactions which may result in a change of control of a public company to which the Takeover Code applies. Under Rule 9 of the Takeover Code, any person who acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested or in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders of the relevant public company to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent. of the voting rights of such company, but does not hold shares carrying 50 per cent. or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person.

Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with him, holds over 50 per cent. of the voting rights of a company, and acquires further shares carrying voting rights, then he will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares.

An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

Potential interests in Ordinary Shares of the Concert Party following the Subscription and Associated Proposals

Following the Initial Subscription and the issue of the Warranty Shares, the 2013 Conversion Shares and the 2014 Conversion Shares (assuming only Henderson, Clive Carver and Len Reece accept the 2013 CLN Proposal), and assuming no disposals of Ordinary Shares by the Concert Party and no further issues of Ordinary Shares by the Company in the meantime, the interests in Ordinary Shares of the Concert Party and the percentage of the voting rights in the Company attributable to such interests, assuming no other party subscribes for Ordinary Shares under Options or warrants, will be 1,769,626,793 Ordinary Shares, representing approximately 47.9 per cent. of the total voting rights of the Company at that time. Assuming completion of the Further Subscription, this will increase to a maximum of 2,182,126,793 Ordinary Shares, representing approximately 53.1 per cent. of the total voting rights of the Company at that time. This, without a waiver of the obligations under Rule 9 of the Takeover Code, would oblige the Concert Party to make a general offer to Shareholders under Rule 9 of the Takeover Code. The Takeover Panel has agreed, however, to waive the obligation on the Concert Party to make a general offer that would otherwise arise as a result of the Subscription and the Further Subscription taking the Concert Party's holding to more than 30 per cent. of Ordinary Shares subject to approval on a poll by the Independent Shareholders of the Whitewash Resolution as set out in the Notice.

The Waiver described in the Whitewash Resolution, which is conditional upon the passing of Resolution 1, applies only in respect of increases in the percentage interest of the Concert Party over the Concert Party's

current interest in Ordinary Shares together with the Warranty Shares (together 307,126,793 Ordinary Shares) resulting from the Initial Subscription and the Further Subscription and not in respect of other increases in the Concert Party's interests in Ordinary Shares. The Concert Party, Henderson and holders of 2013 Convertible Loan Notes are not allowed to vote on the Whitewash Resolution.

Unless the Whitewash has been approved by Independent Shareholders or unless the Concert Party makes a successful takeover offer as required by the Takeover Code, the Concert Party will not be able to subscribe for new Ordinary Shares to the extent that as a result of such subscription, the Concert Party would hold 30 per cent. or more of the total voting rights of the Company.

Shareholders should be aware that if the Resolutions are passed and the Concert Party subscribes for the maximum number of new Ordinary Shares under the Subscription Agreement, the members of the Concert Party will have a direct interest in more than 50 per cent. of the voting rights of the Company, and will be able to increase their aggregate interest in the Company without incurring any obligation under Rule 9 of the Takeover Code to make a general offer to all Shareholders to acquire their shares in the Company, although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without the consent of the Takeover Panel.

The intentions of the Concert Party

The members of the Concert Party have confirmed to the Company that they intend to work with the Board for the benefit of all Shareholders. In particular GPS has confirmed that it will take a leading role in assisting the Company in funding Phases I and II of the Petišovci project and will seek to grow the Company both organically and by acquisition within the broader European energy sector.

As detailed below, the Concert Party will have the right to appoint two directors to the Board in the case of a board comprising five directors, and three directors in the case of a board comprising seven directors. The Concert Party has confirmed to Ascent that it wishes to maintain Ascent's AIM listing.

In addition, the Directors' intentions regarding the continuance of the Company's business and its intentions regarding the continued employment of its employees and those of its subsidiaries will not be altered following the Subscription and Associated Proposals.

8. Relationship Agreement

In the event that the Concert Party comes to hold 50 per cent. or more of the total issued shares of the Company it will be free to acquire further shares in the Company without incurring any obligation under Rule 9 of the Takeover Code, although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without the consent of the Takeover Panel.

Accordingly GPS, Ascent Italia, Henderson and the Company have entered into a relationship agreement, effective conditional upon completion of the Initial Subscription, which will govern the relationship between the parties.

The principal purpose of the Relationship Agreement is to ensure that all transactions and relationships between the Company, GPS and Ascent Italia are at arm's length and on a normal commercial basis.

The Relationship Agreement will terminate upon GPS and Ascent Italia, together with their respective associates, ceasing between them to be entitled to exercise, or control the exercise of, in aggregate, 20 per cent. or more of the voting rights in the Company.

Further details of the Relationship Agreement can be found in paragraph 8.15 of Part IV.

9. Changes to the Board

Under the terms of the Relationship Agreement, GPS will have the right (inter alia) to nominate one executive director and one non-executive director to the Board in the case of a board comprising five directors. In the case of a board comprising seven directors, GPS will have the right to nominate a third director as an executive or non-executive director at its discretion. In addition, the Relationship Agreement provides that the Board shall at all times include at least 2 independent directors. Further details of the Relationship Agreement are set out in paragraph 8.15 of Part IV.

Henderson, under the terms of its subscription for the 2013 CLNs, currently has the right to nominate a director to the board of Ascent. Henderson and Ascent have agreed, under the terms of the Henderson Letter, that Henderson will retain this right, providing that it is entitled to exercise, or control the exercise of, in aggregate 15 per cent. or more of the voting rights in the Company (but excluding, for the avoidance of doubt, any voting rights attaching to Ordinary Shares in which Henderson is interested, or of which

Henderson is able to direct the voting, which are not managed by the investment management teams operating under the Volantis Capital name).

10. Management Incentives

Under the terms of the management incentive arrangements put in place in March 2013, the Subscription constitutes a change of control. Accordingly 112,168,861 Options granted to directors and employees of Ascent with an exercise price of 1 penny per share will vest on completion of the Subscription and Associated Proposals. Clive Carver and Len Reece have agreed with the Company that, upon completion of the Subscription and Associated Proposals, notwithstanding the vesting of their Options, they will not exercise any Options until the date that the Options would otherwise have vested under the rules of the Incentive Scheme. None of the holders of the Options referred to above hold Ordinary Shares.

Additionally, the 81,144 2013 CLNs held by Clive Carver and Len Reece will be free from restrictions to sell and as such, will be eligible for the 2013 CLN Proposal which each of them has irrevocably undertaken to accept.

11. Related Party Transaction

The acceptance of the 2013 CLN Proposal by Clive Carver and Len Reece, as directors of the Company, and the acceptance of the 2014 CLN Conversion and the 2013 CLN Proposal by Henderson, as a substantial shareholder of the Company, constitute related party transactions for the purposes of AIM Rule 13.

Furthermore, GPS is a substantial shareholder in Ascent. Therefore the Subscription also constitutes a related party transaction for the purposes of AIM Rule 13.

The Independent Directors, having consulted with the Company's nominated adviser, finnCap Limited, consider that the terms of the 2013 CLN Proposal, the 2014 CLN Conversion and the Subscription are fair and reasonable insofar as the Company's shareholders are concerned.

12. Irrevocable undertakings

The Company has received irrevocable undertakings to vote in favour of the Resolutions from Shareholders who in aggregate have a beneficial interest in respect of 119,632,444 Ordinary Shares representing approximately 8.24 per cent. of the Existing Issued Share Capital of the Company. This includes irrevocable undertakings to vote in favour of the Resolutions received from the Independent Directors, who between them hold in aggregate 269,500 Ordinary Shares representing approximately 0.02 per cent. of the Existing Issued Share Capital.

In addition, as stated above, the Company has received the Henderson Irrevocable Undertaking under which Henderson has agreed to accept the 2013 CLN Proposal and the 2014 CLN Conversion. Henderson currently hold 4,693,917 2013 CLNs and all of the issued 2014 CLNs (being £2 million in nominal value). Len Reece and Clive Carver have also irrevocably undertaken to accept the 2013 CLN Proposal in relation to the 2013 CLNs held by them, being 17,500 and 63,644 respectively.

13. Further information

Your attention is drawn to the additional information set out in Part IV of this document.

14. Settlement and dealings

Application will be made to the London Stock Exchange for the Initial Subscription Shares, the 2013 Conversion Shares and the 2014 Conversion Shares to be admitted to trading on AIM. It is expected that such Admission will become effective in accordance with Rule 6 of the AIM Rules and that dealings will commence at 8.00 a.m. on 6 June 2014.

15. General Meeting

Set out at the end of this document is a notice convening a General Meeting of the Company to be held at 10.30 a.m. on 5 June 2014 at the offices of finnCap, 60 New Broad Street, London, EC2M 1JJ, at which the Resolutions will be proposed:

The Company is proposing that Shareholders pass the Resolutions in order to:

(a) approve the waiver granted by the Takeover Panel of the Concert Party’s obligation to make a general offer to Shareholders for the entire issued and to be issued share capital of the Company pursuant to Rule 9 of the Takeover Code as a result of the allotment and issue of, equity securities to the Concert Party pursuant to the terms of the Subscription (this resolution requires voting on a poll by Independent Shareholders only);

(b) grant authority to the Directors under section 551 of the Act, to allot relevant securities:

(i) in order to complete the Subscription and the Associated Proposals; and
(ii) in addition to (i) above, up to a maximum aggregate nominal value of £1,060,102.77

(c) empower the Directors, pursuant to section 570 of the Act, to dis-apply the statutory pre-emption rights in relation to the allotment of equity securities:

(i) as required in order to complete the Subscription and Associated Proposals;
(ii) arising from the exercise of any outstanding Options; and
(iii) other than pursuant to (i) and (ii) above, up to an aggregate nominal value of £1,060,102.77.

The above authorities and powers will be in addition to those granted at the Annual General Meeting, and will enable the Directors to complete the Subscription and Associated Proposals and will expire at the conclusion of the annual general meeting of the Company to be held in 2015.

The reasons for the Whitewash Resolution are set out at paragraph 2 of this Part I. The Company does not have sufficient authority to issue the Initial Subscription Shares, Further Subscription Shares, 2013 Conversion Shares and 2014 Conversion Shares, assuming that the Whitewash Resolution is passed, and so Resolutions 2 and 3 are therefore proposed to increase the authority of the Board to make such issues. The Resolutions also increase the general authority of the Board to allot shares free of pre-emption rights in order to allow the Company to raise additional funds through the issue of Ordinary Shares during the period up to the date of the Company's annual general meeting in 2015.

If the Resolutions are passed by the requisite majorities at the General Meeting, the Directors have confirmed that resolutions 6, 7 and 8 set out in the notice of the Annual General Meeting, convened for 30 May 2014 but now postponed to 5 June 2014, will not be proposed at the Annual General Meeting (or any adjournment of that meeting).

16. Action to be taken in respect of the General Meeting

Please check that you have received the following with this document:

- a Form of Proxy for use in respect of the General Meeting; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only).

Whether or not you propose to attend the General Meeting in person, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post at Computershare Investor Services Plc, Corporate Actions Project, Bridgwater Road, Bristol, BS99 6AH or, during normal business hours only, by hand, at Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol, BS13 8AE by no later than 10.30 a.m. on 3 June 2014 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Alternatively, you can submit your proxies electronically by following the instructions on the website. Electronic proxy appointments must be received by 10.30 a.m. on 3 June 2014 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent (ID 3RA50) by no later than 10.30 a.m. on 3 June 2014 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

This will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of the Form of Proxy or the use of the CREST Proxy Voting service will not prevent you from attending and voting at the General Meeting, or any adjournment thereof.

17. Independence

With the exception of Clive Carver and Len Reece, who as holders of 2013 Convertible Loan Notes are not deemed to be independent, all of the Directors of the Company are deemed to be independent for the purposes of making a recommendation on the terms of the Subscription and Associated Proposals. Furthermore, GPS and Ascent Italia, as members of the Concert Party which are subject to the Whitewash will not be allowed to vote on the Whitewash Resolution at the General Meeting. In addition, Henderson and the holders of 2013 Convertible Loan Notes, as beneficiaries of the Subscription and the Associated Proposals, will also not be allowed to vote on the Whitewash Resolution at the General Meeting.

18. Recommendation

In Petišovci Ascent has an excellent project that should generate significant Shareholder value over the medium term. To maximise the value of this project, the Company requires, in the opinion of the Independent Directors, both additional funding now for Phase I and the restructuring of the Company's balance sheet.

In Phase II of the Petišovci project, after a period of test gas production to monitor reservoir performance, it is intended that the partners will proceed to the full development of the Petišovci field. This will include: the further upgrading and expansion of the processing facility; an enlarged gas export capacity; and modifications to the national grid connection. This will require much greater investment, and it is currently expected that the majority of this funding will be provided through debt rather than equity.

The Independent Directors firmly believe that Shareholders would be best served by bringing in a new lead Shareholder, which has the ability to procure funding for Phases I and II and to provide funding now to simplify the Company's capital structure and balance sheet issues.

Should Shareholders not approve the Subscription, the Associated Proposals and the Waiver, the Directors believe that the Company is unlikely to realise the significant potential of the Petišovci project and may need to refinance the 2013 CLNs and other debt commitments from a position of relative weakness.

The Independent Directors, having been so advised by finnCap, believe the Subscription, the Associated Proposals and the Waiver are fair and reasonable and in the best interests of Independent Shareholders generally and the Company as a whole. In providing advice to the Independent Directors, finnCap has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the Resolutions to approve the Subscription and Associated Proposals and that Independent Shareholders vote in favour of the Waiver.

The Independent Directors intend to vote in favour of the Resolutions in respect of their aggregate shareholdings of 269,500 Ordinary Shares representing approximately 0.02 per cent. of the Company's Existing Issued Share Capital.

Yours faithfully,

Clive Carver
Chairman

PART II

FINANCIAL INFORMATION

The following information is incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code and is available free of charge on the Company's website at www.ascentresources.com. A Shareholder may request a copy of such information in hard copy form (hard copies will not be provided unless requested). Hard copies may be requested by writing to Ascent Resources Plc, 5 Charterhouse Square, London EC1M 6EE or in person between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) by calling 020 7251 4905.

i) The Annual Report and Accounts of the Company for the year ended 31 December 2013;

ii) The Annual Report and Accounts of the Company for the year ended 31 December 2012; and

iii) The Annual Report and Accounts of the Company for the year ended 31 December 2011.

All reports referenced above can be found at the following website address:

http://www.ascentresources.co.uk/pages/reports-accounts

The Company's Annual Report and Accounts listed above contain the Company's audited consolidated financial statements for the financial years ended 31 December 2013, 31 December 2012 and 31 December 2011, together with the audit report in respect of each year.

Information incorporated by reference to this document	*Reference Document*	*Page number in Reference document*
For the year ended 31 December 2013		
Independent Auditors' report to the members	Annual Report 2013	22
Consolidated income statement for the year ended 31 December 2013	Annual Report 2013	24
Consolidated statement of changes in equity for the year ended 31 December 2013	Annual Report 2013	26
Consolidated statement of financial position at 31 December 2013	Annual Report 2013	28
Consolidated cash flow statement for the year ended 31 December 2013	Annual Report 2013	30
Notes to the consolidated financial statements	Annual Report 2013	32
For the year ended 31 December 2012		
Independent Auditors' report to the members	Annual Report 2012	18
Consolidated income statement for the year ended 31 December 2012	Annual Report 2012	20
Consolidated statement of changes in equity for the year ended 31 December 2012	Annual Report 2012	22
Consolidated statement of financial position at 31 December 2012	Annual Report 2012	24

For the year ended 31 December 2011

PART III

INFORMATION ON THE CONCERT PARTY

The information set out in this Part III which relates to the Concert Party has been accurately reproduced from information provided by the members of the Concert Party. As far as the Company is able to ascertain from this information, no facts have been omitted which would render the information in this Part III which relates to the members of the Concert Party inaccurate or misleading.

1. Information on the members of the Concert Party

1.1. GPS

GPS was incorporated on 23 June 2013 as a financial holding company duly organised and existing under the laws of Italy, with is registered office in Viale Sabotino n.19/2, Milan, Italy. GPS was incorporated specifically to acquire Ascent Italia from Ascent pursuant to the Ascent Italia SPA. GPS's strategy is to create a balanced portfolio of energy assets ranging from oil and gas to renewable energy. Since its incorporation, acquisitions made by GPS have ranged from hydroelectric plants, wind farms and biomass plants.

GPS has only one director, Mr Paolo Simonetto. Mr Simonetto has served as an executive director and as chief financial officer of Ascent Italia since 2005 and was also an executive director of Perazzoli Drilling S.r.l. between 2007 and 2010. Prior to 2005, Mr Simonetto spent 10 years with Bain and Co and two years with a venture capital fund based in Switzerland. He has also provided management services to several companies within the energy industry.

The shareholders of GPS are the Facchini family (being Franco, Virginia, Giambattista and Federico Facchini), Alessandro Coin and the Zamana family (being Maurizio, Valentina and Matteo Zamana). The Facchini family, Alessandro Coin and Zamana family are have backgrounds in and are currently involved in the renewable energy sector.

The share capital of GPS is EURO 10 million. GPS' financial year end is 31 December. No financial information has yet been published.

1.2. Ascent Italia

Vintage Petroleum Italiana s.r.l. was renamed Ascent Resources Italia s.r.l on 5 August 2005 following its acquisition by Ascent in July 2005 from Vintage Petroleum, Inc. of Tulsa, Oklahoma. Ascent Italia was a wholly owned subsidiary of Ascent until its sale to GPS on 19 July 2013, further details of which are set out in paragraph 8.2 of Part IV. Ascent Italia holds interests in exploration permits in Fiume Arrone and the Strangolagalli Concession.

Ascent Italia has only one director, Paolo Simonetto, details of whom can be found in paragraph 1.1 above. Its registered office is in Via Cassia 1020, 00189 Rome, Italy.

The sole shareholder of Ascent Italia is GPS further details of which can be found in paragraph 1.1.

The share capital of Ascent Italia is EURO 10 million. As at 31 December 2013, Ascent Italia had gross assets of approximately EURO 23.8 million and net assets of approximately EURO 22.8 million. In the year to 31 December 2013, Ascent Italia generated revenues of approximately EURO 0.8 million and a net profit of approximately EURO 0.2 million.

2. Joint Venture Agreement

On 14 February 2014, GPS entered into a joint venture agreement with WRS and subsequently entered into a replacement agreement on 14 February 2014 (together, the "**Joint Venture Agreement**"). WRS is a newly incorporated asset management company, incorporated on 20 January 2014 and registered in the UK under company number 8851501. Its registered office is at Suite B, 20 Harley Street, London, W1G 9QR.

Under the terms of the Joint Venture Agreement, WRS has agreed to provide up to 90 million of funding to GPS to enable GPS to invest money in, and lend money to, the Company. WRS is to make this funding available as and when required by GPS (which has discretion as to the timing and basis of any investment in or loans to the Company). In exchange for providing the funding, GPS is to provide a return to WRS based on the outcome of its investment in and loans to the Company. The provision of funding by WRS to GPS is not a loan, there is no time limit on the funding arrangement and nor is there any right for WRS to call for repayment of the funding or the disposal of any interest held by GPS in, or loan to, the Company.

WRS will not have an interest in, or security over, the shares of the Company held by GPS or any loans advanced by GPS to the Company, and it has no rights to direct or control any action or decision on the part of GPS (with regard to the Company or otherwise).

Neither WRS nor its ultimate owners nor any persons having control of WRS holds (and GPS understands that no such person intends to acquire any interest in) any shares of either GPS or the Company. The Joint Venture Agreement has a term of 10 years.

3. Disclosure of interests and dealings

3.1 Definitions and references

For the purposes of this Part III and Part IV:

3.1.1 "acting in concert" means any such person acting or deemed to be acting in concert as such expression is defined in the Takeover Code;

3.1.2 "arrangement" includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

3.1.3 "associate" means:

3.1.3.1 the parent company (if any), the subsidiaries, fellow subsidiaries and associated companies of the Company or the Concert Party, as the case may be, and companies of which any such subsidiaries or associated companies are associated companies;

3.1.3.2 connected advisers and persons controlling, controlled by or under the same control as such connected advisers;

3.1.3.3 the directors of the Company or the Concert Party, as the case may be, and the directors of any company covered in (3.1.3.1) above (together in each case with their close relatives and related trusts);

3.1.3.4 the pension funds of the Company or the Concert Party, as the case may be, or any company covered in (3.1.3.1) above;

3.1.3.5 an employee benefit trust of the Company or the Concert Party, as the case may be, or any company covered in (3.1.3.1); and

3.1.3.6 a company having a material trading arrangement with the Company or the Concert Party.

3.1.4 "connected adviser" normally includes only the following:

3.1.4.1 in relation to the Company or the Concert Party, as the case may be, an organisation which is advising that party in relation to the Subscription and Associated Proposals;

3.1.4.2 in relation to a person who is acting in concert with the Company or the Concert Party, as the case may be, an organisation which is advising that person either in relation to the Subscription and Associated Proposals, or in relation to the matter which is the reason for that person being a member of the relevant the Concert Party; and

3.1.4.3 in relation to a person who is an associate of the Company or the Concert Party, as the case may be, by virtue of paragraph (3.1.3.1) above, an organisation which is advising that person in relation to the Subscription and Associated Proposals.

3.1.5 "dealings" or "dealt" includes the following:

3.1.5.1 the acquisition or disposal of securities or the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attached to securities, or of general control of securities;

3.1.5.2 the taking, granting acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option, (including a traded option contract) in respect of any securities;

3.1.5.3 subscribing or agreeing to subscribe for securities;

3.1.5.4 he exercise or conversion, whether in respect of new or existing securities, any of any securities carrying conversion or subscription rights;

3.1.5.5 the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;

3.1.5.6 the entry into or termination or variation of the terms of any agreement to purchase or sell securities; and

3.1.5.7 any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;

3.1.6 "derivative" includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

3.1.7 "disclosure date" means close of business on 15 May 2014, being the latest practicable date prior to the publication of this document;

3.1.8 "disclosure period" means the period commencing on 16 May 2013 (being the date twelve months prior to the disclosure date) and ending on 15 May 2014 (being the latest practicable date prior to the publication of this document);

3.1.9 "interested" in securities includes if a person:

3.1.9.1 owns them;

3.1.9.2 has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;

3.1.9.3 by virtue of any agreement to purchase, option or derivative, has the right or option to acquire them or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;

3.1.9.4 is a party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them; or

3.1.9.5 has long economic exposure, whether absolute or conditional to changes in the price of those securities (but a person who only has a short position in securities is not treated as interested in those securities);

3.1.10 "relevant securities" includes:

3.1.10.1 shares and any other securities in the Company or the Concert Party, as the case may be, conferring voting rights;

3.1.10.2 equity share capital of the Company or the Concert Party, as the case may be; and

3.1.10.3 any securities convertible into, or rights to subscribe for the securities of the Company or the Concert Party, as the case may be, described in paragraphs 3.1.10.1 and 3.1.10.2 above; and

3.1.11 "short position" means any short position (whether conditional or absolute and whether in the money other otherwise) including any short position under a derivative.

4. Interests of the Concert Party in the Company

The Concert Party is currently interested in 20.7 per cent. of the voting rights of the Company.

GPS is due to be issued with 7,000,000 new Ordinary Shares pursuant to the Subscription and Warranty Resolution Agreement following the Company's Annual General Meeting.

The relevant interests of the Concert Party in the Company and its maximum controlling position, at the date of this document and following the issue of the Warranty Shares and the issue of the Initial Subscription Shares and Further Subscription Shares pursuant to the terms of the Subscription Agreement, will be as follows:

Name	*Number of Existing Ordinary Shares*	*Percentage of Existing Share Capital*	*Number of Ordinary Shares following the Initial Subscription and issue of the Warranty Shares*	*Percentage of the share capital following the Initial Subscription, issue of the Warranty Shares, and 2013 and 2014 CLN Conversion Shares**	*Number of Ordinary Shares following the Further Subscription Shares and issue of the Warranty Shares*	*Percentage of the share capital following the Initial Subscription, the Further Subscription, issue of the Warranty Shares, and 2013 and 2014 CLN Conversion Shares**
GPS	268,000,000	18.5	1,737,500,000	47.0	2,150,000,000	52.3
Ascent Italia	32,126,793	2.2	32,126,793	0.9	32,126,793	0.8
Total	300,126,793	20.7	1,769,626,793	47.9	2,182,126,793	53.1

** Assuming only Henderson, Len Reece and Clive Carver accept the 2013 CLN Proposal, as they have undertaken to do, and who in total hold 96.4% of the 2013 CLNs*

5. Market dealings in relevant securities of the Company by the Concert Party

The following dealings have taken place during the 12 months preceding the date of this document in relevant securities of the Company by members of the Concert Party:

Date	Nature of Transaction	Price per Existing Ordinary Share	Number of Existing Ordinary Shares
2 August 2013	Issue of Ordinary Shares to Ascent Italia under the sale and purchase agreement in relation to GPS' acquisition of Ascent Italia	0.8 pence	32,126,793
20 December 2013	Issue of Ordinary Shares under the Subscription and Warranty Resolution Agreement	1.2 pence	268,000,000

GPS are due to be issued with a further 7,000,000 new Ordinary Shares in respect of the Subscription and Warranty Resolution Agreement at a price of 1.2 pence per Ordinary Share following the passing of the relevant resolution by Shareholders at the Company's Annual General Meeting to be held on 5 June 2014.

6. Save as disclosed in this Part VI and Part VII of this document:

6.1 the Concert Party has no interest in or right to subscribe for, nor has any short position in relation to, any relevant securities of the Company, nor had it dealt in any such relevant securities during the disclosure period;

6.2 none of the directors of the Concert Party (including any members of such director's respective immediate families, related trusts or connected persons) has an interest in or a right to subscribe for, or has any short position in relation to any relevant securities of the Company, nor had any such person dealt in such securities during the disclosure period;

6.3 no person acting in concert with the Concert Party has an interest in or a right to subscribe for, or has any short position in relation to, any relevant securities of the Company, nor had any such person dealt in any such securities during the disclosure period;

6.4 there are no arrangements which existed between the Concert Party or any person acting in concert with the Concert Party, and any other person; and

6.5 neither the Concert Party nor any person acting in concert with the Concert Party has borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

7. The Concert Party's intentions regarding the Company's business

The Concert Party has informed the Board that it currently intends to allow the Company to continue with its proposed strategy, as detailed further Part I of this document.

The Concert Party does not have any intentions regarding the Company's business that would affect

- the strategic plans of the Company, other than to broaden the strategy to grow organically and by acquisition within the wider European energy sector; or
- the employment of the Company's or its own personnel including the continued employment of, or the conditions of employment of, any of the Company's or its own

management; or

- the location of the Company's or its own business or operating subsidiaries; or
- the admission of the Company's Ordinary Shares to trading on AIM.

The Concert Party does not have any intentions to dispose of or otherwise change the use of any of the fixed assets within the Company. The Concert Party does not intend to make any changes to the existing trading facilities for the relevant securities of the Company. The Company does not operate or contribute to any pension schemes for its employees.

Furthermore, the Concert Party does not intend to make any changes in respect of its own strategic plans.

PART IV
ADDITIONAL INFORMATION

1. Responsibility

1.1 The Directors, whose names and functions appear in paragraph 2 below, and the Company accept responsibility for the information contained in this document, other than: (i) the recommendation set out in paragraph 18 of the Chairman's letter, for which only the Independent Directors accept responsibility; and (ii) the information relating to the Concert Party, for which each of the members of the Concert Party accepts responsibility as set out below. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 Each member of the Concert Party accepts responsibility for the information contained in this document which pertains to them. To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure that such is the case) the information contained in this document which pertains to them is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

The Directors and their positions at the date of this document are as follows:

Clive Carver	Non-executive Chairman
Leonard Reece	Chief Executive Officer
Nigel Moore	Non-executive Director
Cameron Davies	Non-executive Director

The business address of each of the Directors is the Company's registered address.

3. Principal Activity of the Group

The Company is the holding company of a group of companies whose principal activity continues to be as an oil and gas exploration and production company.

4. Interests and Dealings

4.1 At the close of business on the disclosure date, the interests, rights to subscribe and short positions of the Directors (and any person whose interests in Ordinary Shares is taken to be interested in pursuant to Part 22 of the Act and related regulations), all of which are beneficial unless otherwise stated, in Ordinary Shares were as follows:

Director	*Number of Ordinary Shares*	*Number of Options*
Clive Carver	-	26,568,871
Len Reece	-	69,079,066
Nigel Moore	119,500	1,000,000
Cameron Davies	150,000	1,000,000

4.2 At the close of business on the disclosure date, the interests of the Directors in the Incentive Loan Notes were as follows:

Director	*Principal amount of Incentive Loan Notes*
Clive Carver	17,500
Len Reece	63,644
Nigel Moore	-
Cameron Davies	-

4.3 The terms of the Incentive Loan Notes are the same as that of the 2013 Convertible Loan Notes as described in paragraph 8.16 in this Part IV.

4.4 As at the close of business on the disclosure date and save as set out in Part III and IV of this document and this paragraph:

4.4.1 none of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) had an interest in or a right to subscribe for, or had any short position in relation to, any relevant securities, nor had any such person dealt in any relevant securities of the Company;

4.4.2 no person acting in concert with the Company had an interest in or a right to subscribe for, or had any short position in relation to, any relevant securities, nor had any such person dealt in any relevant securities of the Company;

4.4.3 neither the Company nor any of the Directors (including any members of such Directors respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to any relevant securities of any member of the Concert Party, nor has any such person dealt in any such securities during the disclosure period

4.4.4 no associate of the Company had any interest in, or right to subscribe for, or had any short position in relation to, any relevant securities;

4.4.5 no pension fund of the Company or associate of the Company had any interest in or right to subscribe for, or had any short position in relation to, any relevant securities;

4.4.6 no employee benefit trust of the Company or of an associate of the Company had any interest in or right to subscribe for, or had any short position in relation to, any relevant securities;

4.4.7 no connected adviser to the Company or to an associate of the Company or to a person acting in concert with the Company, nor any person controlling, controlled by or under the same control as any such connected adviser (except for an exempt principal trader or exempt fund manager) had any interest in or right to subscribe for, or had any short position in relation to, any relevant securities;

4.4.8 the Company has not redeemed or purchased any relevant securities during the disclosure period;

4.4.9 there were no arrangements which existed between the Company or any person acting in concert with the Company or any associate of the Company and any other person;

4.4.10 neither the Company nor any person acting in concert with the Company had borrowed or lent any relevant securities; and

4.4.11 neither the Company nor any of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to, any shares in any member of the Concert Party (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof.

5. Directors' Service Agreements, Letters of Appointment, Remuneration and Fees

5.1 The services of the Directors are provided to the Group under the following agreements:

5.1.1 **Leonard Reece**

Leonard Reece entered into a director's service agreement with the Company dated 22 August 2012 in respect of his appointment as chief executive officer of the Company. Under the service agreement, Mr Reece receives a salary of £220,000 per annum gross, inclusive of any director's fees payable to him by the Company and is entitled to twenty-eight (28) working days' paid holiday per annum. The Board may exercise its absolute discretion to pay Mr Reece a bonus of such amount, at such time, subject to such conditions and at such intervals as the Board may determine. In addition, the Company shall reimburse to him all reasonable expenses wholly and properly incurred by him in the proper performance of his duties subject to the Company's guidelines. The service agreement can be terminated by either party giving twelve (12) months' written notice. Mr Reece is subject to a gardening leave provision and to non-compete and non-solicitation provisions for a period of twelve (12) months following termination of the service agreement.

On 11 April 2013 the Company entered into an arrangement with Leonard Reece whereby, in return for a retention payment of £63,644, to be invested in Incentive Loan Notes, Leonard Reece agreed to reduce his annual post tax salary by £31,822 for a period of 2 years.

5.1.2 **Clive Carver**

Clive Carver and Elk Associates LLP (as Clive Carver's employer) entered into an agreement for services with the Company dated 23 December 2012 in respect of Mr Carver's appointment as a non-executive director of the Company. Under the service agreement, the Company shall pay Elk Associates LLP a fee of £30,000 per annum. In addition, the Company shall pay Elk Associates LLP a daily rate of £1,250 plus VAT in relation to any work undertaken by Mr Carver in excess of 2 calendar days per month. The Company shall also reimburse Elk Associates LLP all reasonable expenses wholly and properly incurred by Mr Carver in the proper performance of his duties, subject to the Company's guidelines. The agreement is to continue until terminated by the Company or Elk Associates LLP party giving six (6) months' written notice.

This agreement was amended on 1 May 2013. Under the terms of the amendment the Company shall pay Elk Associates LLP a fee of £60,000 per annum with no charge for additional days worked.

5.1.3 **Cameron Davies**

Cameron Davies entered into a letter of appointment with the Company dated 10 September 2010 in respect of his appointment as a non-executive director of the Company. Under the letter of appointment, Mr Davies receives a director's fee of £30,000 per annum paid monthly in arrears. The Company shall also reimburse to him all reasonable expenses wholly and properly incurred by him in the proper performance of his duties, subject to the Company's guidelines. Under the letter of appointment, Mr Davies is expected to attend such Board meetings or Board committee meetings and undertake such travel as may be required by the Board. The letter of appointment is to continue until terminated by either party giving three (3) months' written notice. In the event that there is a change of control of the Company, Mr Davies may, by serving written notice on the Company within three months of the change of control taking effect, terminate his engagement by giving one month's notice to the Company.

5.1.4 **Nigel Moore**

Nigel Moore entered into a director's service agreement with the Company dated 28 June 2006 in respect of his appointment as a non-executive Director of the Company. Under the service agreement, Nigel Moore receives a director's fee of £30,000 per annum paid monthly in arrears. The Company shall also reimburse to him all reasonable expenses wholly and properly incurred by

him in the proper performance of his duties, subject to the authorisation of a member of the Board and the Company's guidelines. Under the service agreement, Nigel Moore is expected to attend such Board meetings or Board committee meetings and undertake such travel as may be required by the Board. The service agreement is to continue until terminated by either party giving six (6) months written notice. In the event that there is a change of control of the Company, Nigel Moore may, by serving written notice on the Company within three months of the change of control taking effect, terminate his engagement by giving one month's notice to the Company.

5.2 Other than as disclosed in paragraph 5.1 above:

5.2.1 there are no service contracts between any of the Directors and the Company or any of its subsidiaries;

5.2.2 no Director is entitled to commission or profit sharing arrangements;

5.2.3 no service contract or letter of appointment of any Director has been entered into or amended within the period of six months prior to the date of this document; and

5.2.4 other than statutory compensation and payment in lieu of notice, no compensation is payable by the Company or any of its subsidiaries to any Director upon early termination of their appointment.

6. Material changes

Save as disclosed in paragraphs 1 and 6 of Part I of this document, there has been no significant change in the financial and trading position of the Group since 31 December 2013, being the date to which its last annual accounts were prepared.

7. Middle Market Quotations

The following table sets out the middle market quotations for the Ordinary Shares, as derived from the Daily Official List of the London Stock Exchange, for the first business day of each of the six months immediately preceding the date of this document and on 15 May 2014 (being the latest practicable date prior to the publication of this document):

Date	Price per Ordinary Share
2 December 2013	1.15 pence
2 January 2014	0.95 pence
3 February 2014	0.90 pence
3 March 2014	0.65 pence
1 April 2014	0.70 pence
1 May 2014	0.63 pence
15 May 2014	0.60 pence

8. Material contracts

Save as disclosed in this paragraph 8, the Group has not entered into any material contracts (being contracts not entered into in the ordinary course of business) within the previous two years.

8.1 Agreements relating to the commercial development of the Petišovci field

8.1.1 A joint venture agreement dated 23 March 2001 between Nafta d.o.o. ("**Nafta**") and Ascent Slovenia Limited ("**Ascent Slovenia**") governing the rights and obligations with respect to the re-development of the Mura Depression Production Area – Dolina and Petisovci Production Fields (the "**Concession Area**") (the "**Original JVA**"). Nafta and Ascent Slovenia entered into an operating agreement dated 17 July 2001 governing the mutual rights and obligations with respect to their conduct of petroleum operations (the **"Joint Operations"**) under the Original JVA (the "**Original JOA**").

On 2 February 2004, Nafta assigned to Geoenergo d.o.o. ("**Geoenergo**") its right and obligations under the Original JVA. The Original JVA and the Original JOA were revised and restated by a Restated Joint Operating Agreement dated 20 October 2013 between Geoenergo (1) and Ascent Slovenia (2) (the "**Restated JOA**").

The respective participating interests of the parties in relation to the hydrocarbons produced from the Concession Area are Geoenergo (25 per cent.) and Nafta (75 per cent.). Notwithstanding its participating interest, Ascent Slovenia is entitled to 90 per cent. of the proceeds and Geoenergo is entitled to 10 per cent. of the proceeds from hydrocarbons produced in the Concession Area from the effective date of the Original JVA until such time as Ascent Slovenia recovers all expenditure incurred by it as a result of financing of the project.

The operating committee constituted under the Restated JOA (the "Operating Committee") shall be comprised of representatives of each party holding a participating interest. Each party shall appoint one representative and one alternative representative to serve on the Operating Committee. The Operating Committee has the power and the duty to authorise and supervise joint operations that are necessary or desirable to properly explore and exploit the Concession Area.

The parties appointed Ascent Slovenia to be the manager (the "Manager") of the Petišovci field project. The Manager is entitled to have possession and control of all joint venture property and must (among other things):

(a) organise the performance of the Joint Operations;

(b) ensure that all Joint Operations are conducted in a diligent, safe and efficient manner; and

(c) engage, dismiss, supervise and control all management, technical and labour personnel necessary for the performance of its obligations under the agreement.

The parties agreed to vote in favour of the appointment of Geoterm as the operator of the Petišovci field project (the "**Operator**"). The Operator shall (among other things):

(a) execute all services and works in the Concession Area required for the performance of the Joint Operations;

(b) obtain, evaluate and accept competitive quotes an tenders for works and services;

(c) comply with laws and authorisations applicable; and

(d) acquire all permits, consents, approvals and other right that may be required.

As the legal holder of the mining right for the exploitation of the hydrocarbons in the Concession Area, Geoenergo shall (among other things):

(a) communicate with the authorities with respect to all matters arising In relation to the Joint Operations;

(b) acquire all permits, consents, approvals and other rights that may be required for the conduct of the Joint Operations in the Concession Area;

(c) ensure that all periodic payment, royalties, taxes, fees and other payments pertaining to the Joint Operations are paid; and

(d) at all times ensure, to the extent possible, Ascent Slovenia has free access to the Concession Area for the purposes of fulfilling its obligations and exercising its rights under the agreement.

On or before the first day of October of each calendar year, the Manager shall deliver to the parties a proposed work program and budget detailing the Joint Operations to be performed for the following calendar year ("**Proposed Work Program and Budget**"). The Manager may call a meeting at which the Operating Committee shall consider and endeavour to agree on the Proposed Work Program and Budget, or it may circulate the Proposed Work Program and Budget for vote. Any Approved Work Program and Budget may be revised by the Operating Committee from time to time.

The Restated JOA will terminate only on the written agreement of all non-defaulting parties or upon a Termination Event (as defined therein). The Restated JOA is governed by the laws of the Republic of Slovenia.

8.1.2 A service agreement dated 30 October 2013 between Geoenergo, Ascent Slovenia and Petrol Geoterm d.o.o. ("**Geoterm**") (the "**Service Agreement**"). The Restated JOA provides, *inter alia*, for Geoterm to be appointed as the Operator who shall act as the preferred contractor for the joint venture for the performance of the following works and services: operating the Geoterm infrastructure, well design (except fracking), drilling, procurement of material and equipment, permitting, and, to the extent possible and technically and financially suitable, also geology studies, reservoir analysis and engineering, petroleum economics, well control, geosciences and development and production design.

Under the Service Agreement, Geoterm represents and warrants that it has the capability, experience, management expertise, financial resources, equipment, staff and all other facilities required to carry out the services in a competent and expeditious manner. Geoterm shall keep and maintain the Geoterm Infrastructure in good order and will use its best efforts to ensure that the Geoterm Infrastructure is fully functional at all times.

In consideration for the provision of its services under the Services Agreement, Geoterm shall be entitled to a fixed fee of (a) €25,000 per month prior to the start of the production of the hydrocarbons; and (b) €40,000 per month from the start of the production of the hydrocarbons onwards.

Geoterm shall assume entire responsibility for and shall indemnify and hold harmless the joint venture parties from and against any and all losses, liabilities, claims, damages, costs, expenses, judgments and penalties arising directly or indirectly out of or in connection with or as a result of the performance of the services.

The Service Agreement shall terminate on the occurrence of (a) all the non-defaulting parties agreeing in writing to terminate the agreement; (b) the Restated JOA being terminated, expiring or the final settlement thereunder being agreed; or (c) Geoterm being removed as Operator of the Restated JOA.

The Service Agreement is governed by the law of the Republic of Slovenia.

8.1.3 A framework build, operate and transfer project agreement dated 30 October 2013 between Geoenergo and Ascent Slovenia as amended by an annex agreement dated 10 January 2014 (the "Infrastructure **Agreement**"). The parties understand that the initial Geoterm infrastructure may not be satisfactory for the effective and economical conduct of Joint Operations in the Concession Area. For this purpose, the joint venture parties may decide to design, develop and construct a new infrastructure ("**New Infrastructure**"). The

Infrastructure Agreement defines the parties' respective rights and obligations relating to the construction, operation and ownership of the New Infrastructure.

If the joint venture parties decides to construct the New Infrastructure, then:

(a) they shall identify land plots within the Concession Area for the construction and operation of the New Infrastructure;

(b) when constructing the New Infrastructure, the joint venture parties will be responsible for equipment, obtaining necessary authorisations, obtaining necessary visas and work permits for foreign personnel and the recruitment of local labour in compliance with applicable law;

(c) Geoterm will make any land plots within the Concession Area available to the joint venture parties (and their respective employees, contractors, subcontractors and advisors) where the joint venture parties plans to construct the New Infrastructure; and

(d) Geoterm shall make available to the joint venture parties (and their respective employees, contractors, subcontractors and advisors) all utilities necessary for the construction and operation of the New Infrastructure, provided that the joint venture parties will reimburse Geoterm all reasonable costs for such provision.

After completion of any part of the New Infrastructure, Geoterm shall operate such New Infrastructure. Geoterm undertakes that it will operate the New Infrastructure exclusively for the purpose of the joint venture and will not use the New Infrastructure for any other activities without prior written consent of the joint venture parties.

All costs for operating the New Infrastructure shall be invoiced and paid as provided for in the Service Agreement.

The Infrastructure Agreement shall terminate if (i) all the non-defaulting parties agree in writing to terminate the agreement or (ii) the Restated JOA has been terminated or expired and the final settlement has been made among the joint venture members.

The Infrastructure Agreement is governed by the laws of the Republic of Slovenia.

8.2 **Disposal of Ascent Italia**

On 19 July 2013, the Company entered into a sale and purchase agreement with GPS (the "**Ascent Italia SPA**") pursuant to which the Company agreed to dispose of the whole of its interest in Ascent Italia, which held the Group's interests in the exploration permits in Frosinone, Fiume Arrone and Strangolagalli, to GPS.

Under the terms of Ascent Italia SPA, the consideration for the sale was satisfied as follows:

(a) by the payment by GPS to the Company on closing of €100,000 in cash;

(b) by the assumption by GPS of all future work commitments (estimated to amount to €7,300,000) and financial liabilities of Ascent Italia (consisting of a €700,000 bank loan);

(c) by the issue to Ascent Italia of ordinary shares in the Company to the value of €300,000 at the average market price of such ordinary shares over the last 15 days prior to the closing date.

In addition, the Company agreed to write off a capital contribution to Ascent Italia of €600,000. Furthermore, the Ascent Italia SPA provides that the Company shall be granted a call option to buy back at least a 51 per cent. participation at cost, plus an additional 5 per cent., in any future discovery made by Ascent Italia. The call option is priced at €100,000 (which was netted off against the €100,000 receivable by the Company from GPS) and also provides for the Company to acquire any other assets in the energy business developed and deployed by GPS including, but not limited to, on-site gas-to-power, hydroelectric, mini-wind farms, photovoltaic and waste-to-energy plants. The call option has 48 months duration.

Under the Ascent Italia SPA, the Company gave and received customary representations and warranties for a transaction of this nature. The Ascent Italia SPA is governed by the laws of Italy.

8.3 **Disposal of Netherlands offshore licences**

8.3.1 On 29 May 2013, Ascent Resources Netherlands B.V. ("**Ascent Netherlands**") (a wholly owned subsidiary of the Company) entered into a sale and purchase agreement with Tulip Oil Netherlands B.V. ("**Tulip Oil**") pursuant to which Ascent Netherlands agreed to dispose of its full interests in the Netherlands Exploration Licences Terschelling-Noord and M10a and M11 to Tulip Oil for a total cash consideration of €450 million. The sale and purchase agreement grants Ascent Netherlands the right to re-purchase a 10 per cent. interest in each of the Terschelling-Noord Licence and M10a and M11 Licences once Tulip Oil has made a final investment decision with respect to the commercial development of Terschelling-Noord field. As at the date of this document, the right to re-purchase the 10 per cent. interest in the licences remains unexercised.

Under the sale and purchase agreement, Ascent Netherlands gave and received customary representations and warranties for a transaction of this nature. The sale and purchase agreement is governed by the laws of the Netherlands and completed on 23 September 2013.

8.3.2 On 29 May 2013, the Company and GTO Limited ("**GTO**") entered into a deed of settlement and release pursuant to which the Company and GTO agreed to terminate all discussions in connection with a possible joint venture arrangement in respect of the Group's Netherlands offshore licences. In consideration of the payment by the Company of €130,000 to GTO, the Company and GTO agreed to terminate the letter of intent dated 30 March 2009 entered into between them (the "**Joint Venture Letter**") and to waive any and all claims arising out of, or in connection with, the Joint Venture Letter.

8.4 **Disposal of interest in PetroHungaria Kft**

On 19 April 2013, the Company entered into a sale and purchase agreement with Dualex Nyirseg Inc., Geomega Kft and Swede Resources AB (together, the "**Joint Venture Partners**") pursuant to which the Company agreed to dispose of its 48.66 per cent. interest in the PetroHungaria Kft, which held the Group's interest in the Penészlek field, to the Joint Venture Partners. The total consideration payable by the Joint Venture Partners to the Company under the sale and purchase agreement was €450,000.

Under the sale and purchase agreement, the Company gave and received customary representations and warranties for a transaction of this nature. The sale and purchase agreement is governed by the laws of Alberta.

8.5 **Subscription and Warranty Resolution Agreement**

On 18 December 2013, the Company and GPS entered into the Subscription and Warranty Resolution pursuant to which GPS agreed to subscribe for 83,333,334 Ordinary Shares in the Company at a price of £0.012 per share for a total consideration of £1 million.

In addition, the Company agreed to issue to GPS 275,000,000 Ordinary Shares in the Company in full and final settlement of any and all claims or potential claims made by GPS against the Company in connection with the Ascent Italia SPA (further details of which are provided in paragraph 8.2 above).

Pursuant to the terms of the Subscription and Warranty Resolution Agreement, GPS agreed not to dispose of any interest in any of its Ordinary Shares for a period of 12 months following the date of the agreement except through the Company's broker.

Under the terms of the Subscription and Warranty Resolution Agreement, the Company agreed that, for so long as GPS continues to hold at least 20 per cent. of the issued share capital of the Company, GPS shall be entitled to appoint one non-executive director to the board who shall have responsibility for project finance and new investment.

8.6 **2014 Convertible Loan Note Instrument**

On 3 February 2014, the Company entered into a loan note instrument, pursuant to which the 2014 Convertible Loan Notes are constituted.

Interest is payable on any outstanding 2014 Convertible Loan Note at nine (9) per cent. per annum which shall accrue on each quarter day, calculated on a 365 day year.

Subject to the terms of the 2014 Convertible Loan Note Instrument, the 2014 Convertible Loan Notes and any accrued and unpaid interest thereon shall be convertible into fully paid Ordinary Shares at a conversion price of the lower of 1 pence per Ordinary Share and any price subsequently gained through the marketing of any undrawn amounts under the 2014 Convertible Loan Note Instrument to non-Henderson investors by the Company. If Henderson subscribes for more than two of the additional six tranches, then the conversion price shall be 0.5 pence.

The number of Ordinary Shares to be issued on conversion may be adjusted in certain circumstances which includes a capital reorganisation but excluding the issue by the Company of Ordinary Shares pursuant to any option scheme operated by the Company. On an adjustment event or a capital reorganisation the Company will ask the professional adviser or the auditors of the Company to certify the adjustments to the number of the Ordinary Shares to be converted which they consider to be necessary so that after such adjustment and on conversion the holder of the 2014 Convertible Loan Notes will be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercised at a general meeting of Shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practical, as would have been the case had no adjustment event or capital reorganisation occurred.

Henderson shall be entitled to demand redemption of the 2014 Convertible Loan Notes then in issue in the event that the Company is in material breach of the 2014 Convertible Loan Note Instrument or in the event of a change of control. In addition, 2014 Convertible Loan Notes shall be immediately redeemed when an event of default by the Company occurs, such events of default including an administration order being made in relation to the Company or the passing of a resolution for the winding up, liquidation or administration of the Company.

Unless previously redeemed or converted the principal amount and any interest accrued thereon of the 2014 Convertible Loan Notes will be redeemed by the Company on 23 December 2014. Henderson may, at its discretion, extend the final redemption date for a further twelve months. The Company may, at any time before the final redemption date, repay the principal amount outstanding in full or in part, together with interest accrued thereon.

A holder of the 2014 Convertible Loan Notes may transfer any 2014 Convertible Loan Note (in full) to any party to whom the holder of the 2014 Convertible Loan Notes may transfer Ordinary Shares in accordance with the Articles.

The 2014 Convertible Loan Note Instrument contains certain restrictions and obligations on the Company which include a prohibition on amending the Articles and the obligation to maintain sufficient authorised but unissued share capital equity share capital in the Company to satisfy in full the outstanding rights of conversion attaching to the 2014 Convertible Loan Notes.

8.7 **Henderson 2014 Subscription Agreement**

Pursuant to a letter agreement between the Company and Henderson dated 3 February 2014, Henderson agreed to subscribe for 2,000,000 2014 Convertible Loan Notes for £2 million and, subject to certain conditions, to subscribe for up to a further 3,000,000 2014 Convertible Loan Notes for up to £3 million in six additional tranches.

The obligation for Henderson to subscribe for 2014 Convertible Loan Notes in the additional tranches will subsist only from 31 March 2014 and is conditional upon there being no material adverse change to the Group and there having been demonstrable progress on the development of the Petišovci project. The proceeds of all subscriptions for the 2014 Convertible Loan Notes shall be used to fund the Company's working capital and capital expenditure requirements to 31 December 2014.

The subscription agreement contains certain warranties given by the Company to Henderson, including warranties relating to the conduct of the Company's business and compliance with laws and negative pledges by the Company not to carry out certain actions without the consent of Henderson, including the variation of rights attached to equity securities or amending the Articles.

8.8 **Henderson 2013 Subscription Agreement**

Pursuant to a letter agreement between the Company and Henderson dated 23 December 2012, Henderson agreed to subscribe for 3,000,000 2013 Convertible Loan Notes for £3 million and, subject to certain conditions, to subscribe for up to a further 2,500,000 2013 Convertible Loan Notes for up to £2 million .

The obligation for Henderson to subscribe for 2013 Convertible Loan Notes in the second tranche was conditional upon there being no material adverse change to the Ascent Group or the Petišovci project. Subject to the terms of the subscription agreement, Henderson agreed to underwrite the Open Offer by undertaking that in the event that the proceeds of the Open Offer fall short of £2.5 million, Henderson would subscribe for such number of 2013 Convertible Loan Notes as the principal amount of which is equal to such shortfall. The Company agreed to pay Henderson an underwriting fee of two (2) per cent. of the aggregate amount of the 2013 Convertible Loan Notes payable in two tranches, on the first and second tranche subscriptions for the 2013 Convertible Loan Notes.

Pursuant to the terms of the subscription agreement, for as long as any 2013 Convertible Loan Notes are outstanding, Henderson shall be entitled to nominate for appointment two non-executive directors to the Board, one of whom may be appointed as the non-executive Chairman.

8.9 **2013 Convertible Loan Note Instrument**

On 23 December 2012, the Company entered into a loan note instrument, pursuant to which the 2013 Convertible Loan Notes are constituted.

Interest is payable on any outstanding 2013 Convertible Loan Note at nine (9) per cent. per annum which shall accrue on each quarter day, calculated on a 365 day year.

Subject to the terms of the 2013 Convertible Loan Note Instrument, the 2013 Convertible Loan Notes and any accrued and unpaid interest thereon shall be convertible into fully paid Ordinary Shares at a conversion price of £0.005 per Ordinary Share. The number of Ordinary Shares to be issued on conversion may be adjusted in certain circumstances which includes a capital reorganisation but excluding the issue by the Company of Ordinary Shares pursuant to any option scheme operated by the Company. On an adjustment event or a capital reorganisation the Company will ask the professional adviser or the auditors of the Company to certify the adjustments to the number of the Ordinary Shares to be converted which they consider to be necessary so that after such adjustment and on conversion the holder of the 2013 Convertible Loan Notes will be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercised at a general meeting of Shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practical, as would have been the case had no adjustment event or capital reorganisation occurred.

Henderson shall be entitled to demand redemption of the 2013 Convertible Loan Notes then in issue in the event that the Company is in material breach of the 2013 Convertible Loan Note Instrument or in the event of a change of control. In addition, 2013 Convertible Loan Notes shall be immediately redeemed when an event of default by the Company occurs, such events of default including an administration order being made in relation to the Company or the passing of a resolution for the winding up, liquidation or administration of the Company.

Unless previously redeemed or converted the principal amount and any interest accrued thereon of the 2013 Convertible Loan Notes will be redeemed by the Company on 31 January 2015.

A holder of the 2013 Convertible Loan Notes may transfer any 2013 Convertible Loan Note (in full) to any party to whom the holder of the 2013 Convertible Loan Notes may transfer Ordinary Shares in accordance with the Articles.

The 2013 Convertible Loan Note Instrument contains certain restrictions and obligations on the Company which include a prohibition on amending the Articles and the obligation to maintain sufficient authorised but unissued share capital equity share capital in the Company to satisfy in full the outstanding rights of conversion attaching to the 2013 Convertible Loan Notes.

8.10 **Darwin loan facility**

On 30 November 2013, the Company entered into a term loan facility with Darwin pursuant to which Darwin agreed to advance to the Company up to £500,000 (the "**Facility**") to be used for general corporate purposes. The Facility may be drawn down in three tranches provided that no draw down shall be less than £25,000. The Facility bears interest (accruing daily) at 12 per cent. per annum and is payable on the repayment of the Facility. The Facility is repayable by the Company on 30 May 2014, save if there is a change of control of the Company or on an issue of equity securities by the Company which raises at least £300,000, in which case it is repayable within five days of demand by Darwin.

8.11 **Darwin SEDA**

On 11 February 2013, the Company entered into an equity finance facility agreement with Darwin pursuant to which the Darwin SEDA was made available to the Company.

The Darwin SEDA provides the Company with a £10 million facility which (subject to certain conditions, including the termination of the Yorkville SEDA and other limited restrictions) can be drawn down at any time during the 3 year period commencing on 11 February 2013. The timing and value of any drawdown under the Darwin SEDA is at the sole discretion of the Company.

The Company is under no obligation to make any further draw downs under the Darwin SEDA. The Company may make draw downs up to the total value of the Darwin SEDA by way of issuing subscription notices to Darwin. Following delivery of a subscription notice, Darwin will subscribe and the Company will allot to Darwin new Ordinary Shares in the Company.

The subscription price for any Ordinary Shares to be subscribed by Darwin under a subscription notice will be at a 5 per cent. discount to the average of the 8 lowest reference prices where the reference prices will be the volume weighted average price of Ordinary Shares for each of 15 trading days following delivery of a subscription notice (the "**Pricing Period**"). The Company is also obliged to specify in each subscription notice a minimum price (the "**Floor Price**") below which Ordinary Shares would not be issued to Darwin. The Company will have the right to modify that Floor Price at any time with the consent of Darwin during the relevant Pricing Period. The number of Ordinary Shares issued on each draw down may not exceed 25 per cent. of the issued Ordinary Shares as enlarged by the issue.

The maximum number of Ordinary Shares which may be issued under any individual subscription notice will be 400 per cent. of the average daily trading volume of the Company's Ordinary Shares over the 15 trading days preceding the issue of the relevant subscription notice. The number of shares to be issued may be reduced in certain circumstances, including where the Floor Price is not maintained, the Company's shares not being traded or the Company having suffered a material adverse effect during the Pricing Period. There is an over-allotment facility available to the Company under which the Company may authorise Darwin at Darwin's discretion to increase the amount of draw down by up to the aggregate undrawn amount under the Darwin Loan Facility.

The issuance of a subscription notice is conditional upon the satisfaction of certain subscription notice conditions (the "**Subscription Notice Conditions**") which have been agreed between Darwin and the Company. Any subscription notice which the Company may issue will only be valid to the extent that it has the requisite shareholder authority to issue the maximum number of Ordinary Shares that Darwin may be required to subscribe under the relevant subscription notice.

8.12 **Subscription Agreement**

On 16 May 2014, the Company and GPS entered into the Subscription Agreement pursuant to which GPS has agreed, conditional, *inter alia*, upon:

(a) the Takeover Panel giving its approval to the Waiver in respect of the Concert Party's participation in the Subscription;

(b) save as agreed in writing by GPS, no amendment or variation having been made to the terms of the 2013 CLN Proposal and/or 2014 Conversion;

(c) the passing of the Resolutions without amendment;

(d) the Company procuring that the 2013 CLN Proposal and the 2014 CLN Conversion are effected immediately after the Initial Subscription, (together the "**Subscription Conditions**"); and

(e) the Company not taking any action or doing any of the things for which consent of the Company's shareholders would be required under Rule 21.1 (a) or (b) of the Takeover Code (as shall be determined exclusively by the Takeover Panel) in between the date of the Subscription Agreement and the Initial Subscription.

Under the Subscription Agreement and subject to the Subscription Conditions, the Subscription will take place in two tranches. The first tranche will result in the payment of £11.7 million to the Company and the issue of the Initial Subscription Shares and will take place immediately following the satisfaction of the Subscription Conditions. The second tranche, comprising the Further Subscription, will result in the payment of a further £3.3 million to the Company, may occur at any time thereafter at the instigation of GPS subject to Further Admission, provided that the Company shall be entitled to require GPS to make the Further Subscription on 30 days prior written notice once either of the following milestones in the development of the Petišovci project:

A. (i) the methanol plant located adjacent to the Slovenian Joint Venture's gas wells Pg-10 and Pg-11A having been brought back into production; and (ii) not later than 31 October 2014 the company operating/owning/controlling such methanol plant having entered into a minimum 3 years contract with Ascent Slovenia Limited as Manager of the Slovenian Joint Venture to buy at least 100million/m3 of untreated gas per year at a price determined as at least 85% of the prices quoted in euro per megawatt hour for firm, physical delivery of gas at the notional trading point, the Central European Gas Hub (CEGH)'s Virtual Trading Point (which includes Baumgarten, Austria); and (iii) the Slovenian Joint Venture having commenced production of gas from its gas wells Pg-10 and Pg-11A at at least the rate of 100,000 m^3 per day; OR

B. (i) the Slovenian Joint Venture having obtained not later than 31 December 2014 all necessary governmental, environmental and any other permits/approvals/consents from the local authorities necessary to construct on its current/new site and bring into operation a gas treatment plant (new CPP and scrubbing unit) which is capable of treating gas at at least the rate of 1 million m3 per day; (ii) the total cost budgeted cost for that plant not exceeding €7 million; and (iii) the Company having secured sufficient funding (loan or equity funding) in order to assist in the financing of the construction of that plant.

8.13 **Henderson Irrevocable Undertaking**

On 16 May 2014, the Company, GPS and Henderson entered into an undertaking whereby Henderson has irrevocably undertaken to each of GPS and the Company, *inter alia:*

(a) immediately following the Initial Subscription, to effect the 2014 Conversion; and

(b) immediately following the Initial Subscription, to tender 50 per cent. in principal amount of the 2013 CLNs owned by Henderson for repurchase by the Company and to convert the remaining 50 per cent. of the 2013 CLNs owned by Henderson, in each case pursuant to the 2013 CLN Proposal.

8.14 **Henderson Letter**

On 16 May 2014, conditional upon completion of the Initial Subscription, the Company and Henderson entered into the Henderson Letter under which Henderson and Ascent have agreed that Henderson will retain the right to appoint a director to the Board, providing Henderson is entitled to exercise, or control the exercise of, in aggregate 15 per cent. or more of the voting rights in the Company (but excluding, for the avoidance of doubt, any voting rights attaching to Ordinary

Shares in which Henderson is interested, or of which Henderson is able to direct the voting, which are not managed by the investment management teams operating under the Volantis Capital name).

8.15 **Relationship Agreement**

On 16 May 2014, conditional upon completion of the Initial Subscription, the Company, GPS, Henderson and Ascent Italia entered into the Relationship Agreement which regulates the ongoing relationship between those parties.

The principal purpose of the Relationship Agreement is to ensure that all transactions and relationships between the Company, GPS and Ascent Italia are at arm's length and on a normal commercial basis.

The Relationship Agreement will terminate upon GPS and Ascent Italia, together with their respective associates ceasing between them to be entitled to exercise, or control the exercise of, in aggregate 20 per cent. or more of the voting rights in the Company.

Pursuant to the terms of the Relationship Agreement, the parties agree, among other things:

(a) for so long as GPS and Ascent Italia and their respective associates are, between them, entitled to exercise or control the exercise of, in aggregate, 20 per cent. or more of the voting rights, GPS and Ascent Italia shall exercise their voting rights, and shall instruct each director nominated by them to exercise his or her voting rights with a view to ensuring that:

- the Group shall be managed for the benefit of Shareholders as a whole;
- all transactions, agreements and relationships (whether contractual or otherwise) between GPS and Ascent Italia and any member of the Group shall be conducted on arm's length terms and on a normal commercial basis and in accordance with the related party rules set out in the AIM Rules; and
- the Company shall be managed in accordance with the Corporate Governance Code to the extent practicable for the size, stage of development and operations of the Group at the relevant time or any other corporate governance regime adopted by the Board from time to time; and

(b) in addition, for so long as GPS and Ascent Italia and their respective associates are, between them, entitled to exercise or control the exercise of, in aggregate, 20 per cent. or more of the voting rights, GPS and Ascent Italia undertake to the Company that they shall not, and shall procure that no director nominated by them shall (save where such nominated director is acting in accordance with his or her statutory and/or fiduciary duties):

- no action is taken that would cause any member of the Group to breach its obligations under any applicable law or regulation including, without limitation, AIM Rule 13; and
- no variations are made to the Company's Articles which would be contrary to the terms of the Relationship Agreement;

(c) GPS and Ascent shall be entitled, but not obliged, to participate in any issue of Ordinary Shares for cash carried out by the Company, on terms no less favourable to GPS and Ascent Italia, in order to maintain their percentage shareholding;

(d) any director with a personal conflict of interest, including any director nominated by GPS and Ascent Italia, in relation to matters involving the Company and GPS and/or Ascent Italia, shall not be entitled to vote on that matter unless otherwise provided by the Articles (and for the avoidance of doubt, a director nominated by GPS having declared a non-personal conflict of interest would be able to vote on the relevant matter based on his assessment of what is in the best interests of the Company), however the exercise of the voting rights of GPS and Ascent Italia, solely for the purpose of maintaining their level of shareholding in the Company, will not be considered to be a conflict of interest; and

(e) for so long as GPS and Ascent Italia and their respective associates are, between them, entitled to exercise or control the exercise of, in aggregate:

- 15 per cent. or more of the voting rights, but less than 20 per cent. of the voting rights, GPS will have the right to nominate one executive or non-executive director to the board of directors of Ascent; and

- 20 per cent. or more of the voting rights, GPS will have the right to nominate one executive director and one non-executive director to the board of directors of Ascent in the case of a board comprising of five directors. In the case of a board comprising of seven directors, GPS will have the right to nominate a third director as an executive or non-executive director at its discretion.

In addition, the Relationship Agreement provides that the board will include at least 2 independent directors at all times. At present, the Company has 4 board members. It is agreed that Nigel Moore and Cameron Davies are non-executive independent directors. The parties agree to use their best endeavours to procure the appointment as soon as practicably possible, of 1 additional non-executive independent director, whose independent status must be approved by the Company, GPS and Ascent Italia. In addition, the Company agrees to ensure that any maximum in the permitted number of directors from time to time is not exceeded as a consequence of GPS exercising its rights pursuant to the Relationship Agreement, and shall, where necessary, procure the retirement of any director (not appointed by GPS) from the board of Ascent in order to permit GPS to exercise its rights.

Furthermore, within the Relationship Agreement:

(a) each of the Company and GPS (for so long as GPS and Ascent Italia and their respective associates are, between them, entitled to exercise or control the exercise of, in aggregate, 20 per cent. or more of the voting rights of Ascent) has undertaken to Henderson that the Company shall not, without the consent of the director nominated by Henderson under the Henderson Letter (the "**Henderson Director**"):

- enter into or agree to enter into any disposal of any significant assets or any part of the business of the Company representing 10% or more of the market value of the Company or 10% of the net asset value of the Company (whichever is the greater) at that time (a "**Sale**");

- enter into or agree to enter into any acquisition of any assets or business representing 10% or more of the consolidated net asset value of the Company and its subsidiaries at that time for a consideration: (i) other than the immediate or deferred payment of cash and which: (ii) involves either any equity fund raising (a "**Placing**") involving the issue of more than 10% of the then issued share capital of the Company (either to fund the acquisition or a share for share issue) or requires the creation and issue of a new class of financial instrument by the Company in connection with a related party transaction to be entered into by the Company or is otherwise on non-commercial terms (a "**Non Cash Acquisition**"); or

- carry out or agree to carry out any Placing: (i) involving the issue of 10% or more of the then issued share capital of the Company or (ii) which is at a price representing a discount of more than 10% to the volume weighted average price of Ordinary Shares for the preceding 15 trading days at the time that the Placing is agreed, as derived from the Daily Official List of the London Stock Exchange;

(b) Henderson is granted the power to call for an independent valuation in relation to any Sale or Non Cash Acquisition;

(c) for so long as GPS and Ascent Italia and their respective associates are, between them, entitled to exercise or control the exercise of, in aggregate, 15 per cent. or more of the voting rights of Ascent, the Company agrees with GPS and Ascent Italia and their respective associates that the Company will not (and will procure that no member of the Group shall)

without the consent of a director nominated by GPS and Ascent Italia and their respective associates:

- enter into or agree to enter into a Sale;
- enter into or agree to enter into any Non Cash Acquisition; or
- carry out or agree to carry out any Placing: (i) involving the issue of 10% or more of the then issued share capital of the Company; or (ii) at a price representing a discount of more than 10% to the volume weighted average price of Ordinary Shares for the preceding 15 trading days at the time that the Placing is agreed, as derived from the Daily Official List of the London Stock Exchange; and

(d) GPS and Ascent Italia and their respective associates are granted the power to call for an independent valuation in relation to any Sale or Non Cash Acquisition.

8.16 **Incentive Scheme**

8.16.1 *Purpose*

The purpose of the Incentive Scheme is to reward key senior management for the progress of the business of the Group and for the creation of value for Shareholders.

8.16.2 *Material terms of the Incentive Scheme*

Awards of Options will be made by the remuneration committee of the Board to participants.

The exercise price of the Options will be one penny per scheme share.

The total number of Ordinary Shares to be issued under the Incentive Scheme and any other share plan that the Company has in place shall not exceed 10% of the issued share capital of the Company in any ten year rolling period.

8.16.3 *Eligible persons*

Clive Carver, Len Reece and such other key senior management as the remuneration committee of the Board may determine.

8.16.4 *Pool allocation*

The number of the Ordinary Shares granted under the Incentive Scheme to the participants was initially as follows:

Clive Carver	26,568,871 Ordinary Shares
Len Reece	69,079,066 Ordinary Shares
Others	18,066,831 Ordinary Shares

The number of Ordinary Shares granted under the Incentive Scheme will be automatically adjusted to reflect increases in the number of Ordinary Shares that are in issue.

8.16.5 *Vesting events*

Ordinary Shares equal to the value of each participant's share of the pool will be issued to participants on the earliest of the following vesting events:

(i) The third anniversary of an award;

(ii) A change of control of the Company; or

(iii) A sale of the Slovenian project for consideration in excess of £40 million.

8.16.6 *Good leaver/bad leaver provisions*

The treatment of leavers will vary depending on whether they are good or bad leavers. All shares for a bad leaver will lapse on cessation of employment. An intermediate leaver will have the value of their reward capped by a calculation of the shares due (pro rated by time elapsed since grant) x

the share price at the date of leaving. This will crystallise an amount which would then become payable either at the end of three years or on an event of exit if sooner.

A good leaver would be the same as an intermediate leaver except that the value of the shares would be that on the date of an exit or after three years whichever was the sooner (in other words it will not be capped by reference to the share price on the date of leaving).

For the avoidance of doubt, the entitlements of a director under the Incentive Scheme will not be affected if a director retires by rotation or fails to be re-elected as a director.

9. General

9.1 finnCap has given, and has not withdrawn, its written consent to the issue of this document with the inclusion herein of the references to its name and its advice to the Directors in the form and context in which they are included.

9.2 Save as disclosed in paragraphs 8.12 to 8.15 of this Part IV, no agreement, arrangement or understanding (including any compensation arrangement) exists between the Concert Party, finnCap and any of the Directors, recent directors of the Company, Shareholders or recent shareholders of the Company having any connection with or dependence upon the proposals set out in this document. No arrangements for the transfer of securities acquired under the proposed transaction are currently in place.

9.3 As at the close of business on 15 May 2014 (being the latest practicable date prior to the publication of this document), finnCap held 6,069,444 Ordinary Shares.

9.4 During the 12 months preceding the date of this document, finnCap has been dealing for value in relevant securities, acting as market maker and trading as principal.

10. Obtaining hard copies of information incorporated by reference

You may request a hard copy of any information incorporated into this document by reference by contacting the registered office of the Company at 5 Charterhouse Square, London EC1M 6EE or between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 020 7251 4905 from within the UK or +44 207 251 4905 if calling from outside the UK. It is important that you note that unless you make such a request, a hard copy incorporated into this document by reference will not be sent to you.

11. Documents available on display

Copies of the following documents will be made available on display at the registered office of the Company at 5 Charterhouse Square, London EC1M 6EE, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) and at the following website address www.ascentresources.co.uk from the date of posting of this document up to the date of the General Meeting and at the place of meeting for 15 minutes prior to the meeting and during the meeting:

(a) the memorandum and articles of association of the Company;

(b) the audited consolidated accounts of the Company for the years ended 31 December 2013 and 31 December 2012 and 31 December 2011;

(c) the consent letter from finnCap referred to in paragraph 9.1 above;

(d) the Henderson Irrevocable Undertaking referred to in paragraph 8.13 above;

(e) the irrevocable undertakings referred to in paragraph 12 of Part I;

(f) the Directors' service agreements referred to in paragraph 5 above;

(g) the material contracts referred to in paragraph 8 above;

(h) the Joint Venture Agreement referred to in paragraph 2 of Part III; and

(i) a copy of this document together with the Notice.

Date: 16 May 2014

PART V
NOTICE OF GENERAL MEETING

Ascent Resources plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 3416346)

NOTICE IS HEREBY GIVEN that a General Meeting of Ascent Resources plc (the "**Company**") will be held at the offices of finnCap Limited, 60 New Broad Street, London EC2M 1JJ on 5 June 2014 at 10.30 a.m. to consider, and if thought fit pass, the following resolutions of which resolutions 1 and 2 will be proposed as ordinary resolutions and resolution 3 as a special resolution.

Unless the context requires otherwise, words and expressions defined in the circular dated 16 May 2014, of which this notice forms part, have the same meanings when used in this Notice.

ORDINARY RESOLUTIONS

1. **THAT**, the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise for any member of the Concert Party to make a general offer to the Shareholders for the entire issued and to be issued share capital of the Company pursuant to Rule 9 of the Takeover Code as a result of the allotment and issue of, equity securities to any member of the Concert Party pursuant to the Subscription, be and is hereby approved.

2. **THAT**, subject to and conditional upon the passing of resolution 1, in accordance with section 551 of the Companies Act 2006 (the "**Act**"), the directors of the Company from time to time (the "**Directors**") be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £3,729,837.08 (3,729,837,076 Ordinary Shares), provided that that this authority shall be limited to the allotment of:

    a. up to 1,875,000,000 Ordinary Shares with a nominal value of £1,875,000.00 pursuant to the Subscription;

    b. up to 544,734,432 Ordinary Shares with a nominal value of £544,734.43 pursuant to the 2013 CLN Proposal;

    c. up to 249,999,875 Ordinary Shares with a nominal value of £249,999.88 pursuant to the 2014 CLN Conversion; and

    d. up to 1,060,102,769 Ordinary Shares with a nominal value of £1,060,102.77 which may be allotted otherwise than pursuant to paragraphs (a) – (c) above;

    The authorities conferred by this resolution shall, if the resolution is passed by the requisite majority, be in revocation of and in substitution for the authorities conferred by resolutions 6, 7 and 8 set out in the notice of Annual General Meeting convened for 30 May 2014, but now postponed to 5 June 2014 (if either of the same shall be passed) and will expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION

3. **THAT**, subject to and conditional upon the passing of resolutions 1 and 2, in accordance with section 571(1) of the Act, the Directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Act): (i) as required in order to complete the Subscription, the 2013 CLN Proposal and the 2014 CLN Conversion; and (ii) arising from the exercise of any outstanding Options; and (iii) up to an aggregate nominal amount of £1,060,102.77, as if section 561 of the Act did not apply to any such allotment, provided that this power shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

Registered Office
5 Charterhouse Square
London EC1M 6EE

By Order of the Board
C Hutchinson
Company Secretary

Dated 16 May 2014

Notes to the Notice of General Meeting

1. Entitlement to attend and vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 6 p.m. on 3 June 2014 shall be entitled to attend and vote at the Meeting. Changes to entries on the register of members after this time will be disregarded in determining the right of any person to attend or vote at the General Meeting.

2. Appointment of proxies

If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

A proxy does not need to be a member of the Company but must attend the Meeting in order to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Computershare Investor Services PLC on 0870 889 3201.

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

3. Appointment of proxy using hard copy proxy form

The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent by post to Computershare, Corporate Actions Projects, Bristol BS99 6AH or delivered by hand during normal business hours only to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY ; and
- received by Computershare Investor Services PLC no later than 48 hours (excluding non-business days) prior to the Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

4. Appointment of proxy by joint members

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in

which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

5. Changing proxy instructions

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC on 0870 889 3201.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

6. Termination of proxy appointments

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by facsimile transmission to 0870 703 6076. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by Computershare Investor Services PLC no later than 48 hours (excluding non-business days) prior to the General Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

7. Corporate representatives

A member that is a company or other organisation not having a physical presence cannot attend the General Meeting in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's Articles and the relevant provision of the Act.

8. Communications with the Company

Except as provided above, members who have general queries about the General Meeting should telephone Computershare Investor Services PLC on 0870 703 6076 (no other methods of communication will be accepted). You may not use any electronic address provided either in this Notice of General Meeting; or any related documents (including the Chairman's Letter and Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

APPENDIX I

TERMS AND CONDITIONS OF THE 2013 CLN PROPOSAL

The following terms and conditions will, except where the context otherwise requires, apply to the 2013 CLN Proposal. Unless the context otherwise requires, any reference in this Appendix I and the Form of Acceptance to:

(a) the "**2013 CLN Proposal**" shall include any revision, variation, renewal of or extension to the 2013 CLN Proposal (as the case may be) and an extension of the 2013 CLN Proposal shall include an extension of the date by which the Forms of Acceptance must be received;

(b) the "**2013 CLN Proposal Document**" means this document, the Form of Acceptance and any other document containing details of the 2013 CLN Proposal;

(c) defined terms shall be to those terms as defined in the Circular, of which this Appendix I forms part; and

(d) the masculine gender shall include the feminine and vice versa.

2. **Condition**

The 2013 CLN Proposal is conditional upon:

(a) the 2014 CLN Conversion having occurred with respect to all of the 2014 CLNs;

(b) the allotment, issue and Admission of the Initial Subscription Shares having taken place; and

(c) no event having occurred prior to completion of the Initial Subscription which might reasonably be expected to result in a material and adverse change in the financial position or prospects of the Group.

3. Acceptance – 2013 CLNs held in certificated form

3.1 To accept the 2013 CLN Proposal, holders of 2013 CLNs should complete the Form of Acceptance indicating the number of 2013 CLNs in respect of which he wishes to accept the 2013 CLN Proposal and once completed and duly executed, return the Form of Acceptance along with the original loan note certificate representing his holding of 2013 CLNs to Computershare at Computershare Investor Services PLC ("**Computershare**"), Corporate Actions Projects, Bristol BS99 6AH. Any holder who has lost or misplaced his certificates for his 2013 CLNs, should complete and lodge the Form of Acceptance, together with a letter of explanation and any certificate(s) available. Upon receipt, a letter of indemnity will be sent to the holder which should be completed in accordance with the instructions given.

3.2 Each 2013 CLN holder by whom, or on whose behalf, a Form of Acceptance is executed and received by Computershare irrevocably undertakes, represents, warrants and agrees to, and with, the Company and Computershare (so as to bind him, his personal representatives, his heirs, successors and assigns) that:

(a) the execution of the Form of Acceptance, whether or not any other boxes are completed, shall constitute an acceptance of the 2013 CLN Proposal in respect of the number of 2013 CLNs inserted in Box 1 of the Form of Acceptance;

(b) if Box 1 of the Form or Acceptance is left blank or a number greater than such holder's registered holding of 2013 CLNs or "ALL" appears in Box 1, the execution of a Form of Acceptance shall constitute an acceptance by such holder of the 2013 CLN Proposal in

respect of the total number of 2013 CLNs registered in his name in each case on and subject to the terms and conditions set out or referred to in this document and the Form of Acceptance;

(c) the 2013 CLNs in respect of which the 2013 CLN Proposal is accepted or deemed to be accepted are sold fully paid and free from all liens, equities, charges, encumbrances and any other third party rights of any nature whatsoever;

(d) such 2013 CLN holder has not received or sent copies of this document, the Form of Acceptance nor any related 2013 CLN Proposal documents in, into or from the United States, Canada, Australia or Japan or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;

(e) such holder is not a resident of the United States, Canada, Australia or Japan nor a holder whose registered address is in the United States, Canada, Australia or Japan and is not an agent or fiduciary acting on any basis for a principal;

(f) if such accepting holder is not resident in the United Kingdom, he has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from him, in connection with such acceptance, in any territory and that he has not taken or omitted to take any action which will or may result in the Company or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the 2013 CLN Proposal or his acceptance thereof;

(g) he is irrevocably and unconditionally entitled to accept the 2013 CLN Proposal in respect of all the 2013 CLNs to which the Form of Acceptance relates or is deemed to relate;

(h) he will deliver to Computershare his certificate(s) and/or other document(s) of title in respect of all the 2013 CLNs in respect of which the 2013 CLN Proposal has been accepted or an indemnity acceptable to the Company in lieu thereof;

(i) he will do all such acts and things as shall, in the opinion of the Company or its agents, be necessary or expedient to effect the 2013 CLN Proposal in respect of which the 2013 CLN Proposal has been accepted or is deemed to have been accepted; and

(j) the terms and conditions of the 2013 CLN Proposal contained in this document are deemed to be incorporated in, and form part of, the Form of Acceptance which shall be read and construed accordingly.

4. Acceptance period

The 2013 CLN Proposal will be open for acceptance until 3.00 pm on 4 June 2014. The time period for acceptance may be extended beyond this date at the discretion of the Board.

5. Effect of Acceptance

5.1 A duly completed Form of Acceptance, once received, shall be irrevocable.

5.2 Without prejudice to any other provision in this Appendix I, the Company reserves the right to treat acceptances of the 2013 CLN Proposal as valid if received by the Company at any place or places or in any manner determined by the Company otherwise than as set out herein or in the Form of Acceptance.

6. Announcement

By 8.00 am on the business day following the day on which the acceptance period (as extended, if appropriate) is due to expire, the Company will make an appropriate announcement and simultaneously inform a Regulatory Information Service of the position regarding acceptances of the 2013 CLN Proposal. Such announcement will state the total number of 2013 CLNs for which

acceptances of the 2013 CLN Proposal have been received and the number of 2013 Conversion Shares to be issued in connection therewith.

7. Payment and issue of 2013 Conversion Shares

7.1 The cash payment for the 2013 CLNs will be posted, except to an address in the United States, Canada, Australia or Japan, not later than 14 days after completion of the Initial Subscription or within 14 days after receipt of a valid and complete Form of Acceptance, whichever is the later. Such cash payment will be settled by way of a cheque drawn on a UK clearing bank. No consideration will be sent to an addressee in the United States, Canada, Australia or Japan.

7.2 The 2013 Conversion Shares arising under the 2013 CLN Proposal shall be issued in respect of validly completed Forms of Acceptance not later than 14 days after completion of the Initial Subscription or within 14 days after receipt of a valid and complete Form of Acceptance, whichever is the later. Save as provided in paragraph 10, certificates representing such Conversion Shares shall be posted to holders within 14 days of such issue.

8. General

8.1 Copies of this document, the Form of Acceptance and any related documents are available for collection from Computershare at Computershare Investor Services PLC, Corporate Actions Project, Bristol BS99 6AH.

8.2 The terms, provisions, instructions and authorities contained in the Form of Acceptance constitute part of the terms of the 2013 CLN Proposal. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance, unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated into the Form of Acceptance.

8.3 The 2013 CLN Proposal and all acceptances thereof or pursuant thereto, this document and the Form of Acceptance and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law. Execution by or on behalf of a 2013 CLN holder of a Form of Acceptance constitutes his irrevocable submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the 2013 CLN Proposal.

8.4 Any omission or failure to despatch this document or the Form of Acceptance or any notice required to be despatched under the terms of the 2013 CLN Proposal to, or any failure to receive the same by, any person to whom the 2013 CLN Proposal is made, or should be made, shall not invalidate the 2013 CLN Proposal in any way or create any implication that the 2013 CLN Proposal has not been made to any such person.

8.5 If the Initial Subscription has not completed by 6 June 2014, the 2013 CLN Proposal shall lapse without liability to the Company or GPS and the Form of Acceptance and any loan note certificate(s) and/or other document(s) of title will be returned by the Company by post within 14 days of the 2013 CLN Proposal lapsing, at the risk of the note holder concerned.

8.6 All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from any 2013 CLN holder(s) will be delivered by or sent to, or from, them at their own risk.

9. Overseas holders

9.1 The making of the 2013 CLN Proposal to holders of 2013 CLNs resident in, jurisdictions outside the UK, or to persons who are, or are nominees of, or custodians, trustees or guardians for citizens, residents or nationals of other countries ("Overseas holders"), may be prohibited or affected by the laws of the relevant overseas jurisdiction. Accordingly, no person receiving a copy of this document in any territory other than the UK may treat the same as constituting a 2013 CLN Proposal or invitation to him, nor should he in any event use the Form of Acceptance unless, in the relevant territory, such a 2013 CLN Proposal or invitation could lawfully be made to him and such

Form of Acceptance could lawfully be used without contravention of any registration or other legal or regulatory requirements. Such persons should inform themselves about, and to observe, any applicable legal requirements. It is the responsibility of any such person wishing to accept the 2013 CLN Proposal to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith. Any Overseas holder will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions by whomsoever payable.

9.2 A holder of 2013 CLNs will be deemed NOT to have validly accepted the 2013 CLN Proposal if (i) he is unable to make the representations and warranties set out in the Form of Acceptance; or (ii) he completes the Form of Acceptance with an address in the United States, Canada, Australia or Japan or has a registered address in the United States, Canada, Australia or Japan.

10. **CREST**

If you hold 2013 CLNs in uncertificated form (i.e. in CREST)

General

10.1 If your 2013 CLNS are in uncertificated form, to accept the 2013 CLN Proposal you should take (or procure the taking of) the action set out below to transfer 2013 CLNs in respect of which you wish to accept the 2013 CLN Proposal to the appropriate escrow balance(s), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's relevant Participant ID referred to below) as the Escrow Agent, as soon as possible and in any event so that the TTE instruction settles by not later than 1.00 p.m. (London time) on 4 June 2014.

Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure that you time the input of any TTE instructions accordingly.

The input and settlement of a TTE instruction in accordance with this paragraph will (subject to satisfying the requirements set out in this Appendix I) constitute an acceptance of the 2013 CLN Proposal in respect of the number of 2013 CLNs so transferred to escrow.

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(s) to Euroclear in relation to your 2013 CLNs.

After settlement of a TTE instruction, you will not be able to access the 2013 CLNs concerned in CREST for any transaction or charging purposes.

You are recommended to refer to the CREST Manual for further information on the CREST procedures outlined below.

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 2013 CLN Proposal to settle prior to 1.00 p.m. (London time) on 4 June 2014. In this regard, you are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

To accept the 2013 CLN Proposal in respect of your 2013 CLNs

10.2 To accept the 2013 CLN Proposal in respect of 2013 CLNs held in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE instruction in relation to such shares. A TTE instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- the ISIN number for the 2013 CLNs. This is GB00B8J8B415;
- the number of 2013 CLNs in respect of which you wish to accept the 2013 CLN Proposal (i.e. the number of 2013 CLNs to be transferred to escrow);
- your participant ID;
- your member account ID;
- the participant ID of the Escrow Agent. This is RA63;
- the member account ID of the Escrow Agent for the 2013 CLN Proposal. This is ASCENT;
- the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on 4 June 2014;
- the corporate action number of the 2013 CLN Proposal. This is allocated by Euroclear and will be available on screen from Euroclear;
- input with a standard delivery instruction priority of 80; and
- a contact name and telephone number in the shared note field.

Validity of acceptances

10.3 Holders of 2013 CLNs in uncertificated form who wish to accept the 2013 CLN Proposal should note that a TTE instruction will only be a valid acceptance of the 2013 CLN Proposal as at the relevant closing date if it has settled on or before 1.00 p.m. on that date. A Form of Acceptance which is received in respect of 2013 CLNs held in uncertificated form will be treated as an invalid acceptance and will be disregarded.

Normal CREST procedures (including timings) apply in relation to any 2013 CLNs that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the 2013 CLN Proposal (whether any such conversion arises as a result of a transfer of 2013 CLNs or otherwise). Holders of Shares who are proposing to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the 2013 (in particular, as regards delivery of 2013 CLN certificate(s) and or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 4 June 2014.