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If you have sold or otherwise transferred all of your 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 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 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 persons (including, without limitation, custodians, nominees and trustees) who have 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 8 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 Regulation. 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.

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

Ascent Resources plc

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

Capital Reorganisation, Conditional Placing and Notice of General Meeting

Nominated Adviser & Broker

WH Ireland

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.

WH Ireland Ltd (“**WH Ireland**”), 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 WH Ireland or for providing advice in relation to such proposals. No representation or warranty, express or implied, is made by WH Ireland as to the accuracy, completeness or fairness of any information in this document and WH Ireland 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 Taylor Wessing, 5 New Street Square, London EC4A 3TW at 2.30 p.m. on 5 March 2020 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, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and to be valid must arrive by no later than 2.30 p.m. on 3 March 2020.

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 Taylor Wessing LLP at 5 New Street Square, London, EC4A 3TW from the date of this document. This document will be available to download from the Company’s website at www.ascentresources.co.uk.

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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:

“Act”	the Companies Act 2006, as amended from time to time
“Admission”	admission of the Placing 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
“Articles”	the articles of association of the Company in force at the date of this document
“Capital Reorganisation”	together, the Subdivision and the Consolidation
“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 Proposals and the General Meeting
“Company” or “Ascent”	Ascent Resources plc
“Consolidation”	following the Subdivision, the consolidation of every one hundred Redenominated Ordinary Shares into one New Ordinary Share
“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)
“Deferred Shares”	the deferred shares of 0.195 pence each in the capital of the Company immediately following the Subdivision, having the rights set out in the New Articles
“Directors” or “Board”	the directors of the Company as at the date of this document whose names and functions are set out on page 8 of this document, or any duly authorised committee thereof
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Deferred Shares”	the deferred shares of 0.09 pence each in issue at the date of this document
“Existing Ordinary Shares”	the Ordinary Shares in issue at the date of this document
“Existing Issued Share Capital”	3,019,648,452 Ordinary Shares
“FCA”	the UK Financial Conduct Authority
“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)
“General Meeting”	the general meeting of the Company convened for 2.30 p.m. on 5 March 2020
“Geoenergo”	Geoenergo d.o.o., a company registered in Slovenia with registered number 1465830000 owned in equal parts by Nafta Lendava and Petrol
“Group”	the Company and its existing subsidiaries and subsidiary undertakings
“IPPC”	Integrated Pollution Prevention and Control Permit
“ISIN”	International Securities Identification Number
“Issue Price”	5 pence per New Ordinary Share
“Joint Venture Partners”	Petrol and Nafta Lendava, together incorporated as Geoenergo
“London Stock Exchange”	London Stock Exchange plc
“Nafta Lendava”	Nafta Lendava d.o.o. a company registered in Slovenia with registered number 1328255000, with subsidiaries Nafta Petrochem d.o.o., Eko Nafta d.o.o., and Nafta Varovanje In Požarna Varnost d.o.o.
“New Articles”	the articles of association of the Company to be adopted by the Company at the General Meeting
“New Ordinary Shares”	the ordinary shares of 0.5 pence each in the capital of the Company immediately following the Consolidation
“Notice of General Meeting” or “Notice”	the notice of General Meeting set out at the end of this document
“Ordinary Shares”	ordinary shares of 0.2 pence each in the capital of the Company
“Petrol”	Petrol d.d. a company registered in Slovenia with registered number 5025796000
“Placing”	the allotment and issue of the Placing Shares
“Placing Resolutions”	Resolutions 1, 2, 3, 5 and 7
“Placing Shares”	the 16,000,000 New Ordinary Shares at the Issue Price in respect of the Placing.
“Proposals”	the Capital Reorganisation and the Placing
“Prospectus Regulation”	European Union Regulation 2017/1129
“Receiving Agent or Computershare”	Computershare Investor Services PLC
“Record Date”	5 March 2020
“Redenominated Ordinary Shares”	the ordinary shares of 0.01 pence each in the capital of the Company immediately following the Subdivision
“Resolutions”	the resolutions required to implement the Proposals, as set out in the Notice

“Shareholders”	holders of Ordinary Shares as at the Record Date
“Subdivision”	the subdivision of each Existing Ordinary Share into one Redenominated Ordinary Share and one Deferred Share
“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
“WH Ireland”	WH Ireland Limited the Company’s nominated adviser and broker.

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

ADMISSION STATISTICS⁽¹⁾

Number of Existing Ordinary Shares in issue at the date of this document	3,019,648,452
Number of Existing Deferred Shares in issue at the date of this document	1,737,110,763
Number of Ordinary Shares of 0.005 pence post Subdivision pre-Consolidation ⁽¹⁾	3,019,648,452
Number of Deferred Shares of 0.195 pence post Subdivision ⁽¹⁾	3,019,648,452
Number of New Ordinary Shares of 0.5 pence post Consolidation ⁽¹⁾	30,196,485
Number of Placing Shares	16,000,000
Issue Price per Placing Share	5 pence
Gross proceeds of the placing	£800,000
Maximum number of New Ordinary Shares in issue immediately following Admission	46,196,484
Ordinary Share ISIN pre-General Meeting	GB00BZ16J374
Ordinary Share SEDOL pre-General Meeting	BZ16J37
New Ordinary Share ISIN post-General Meeting	GB00BJVH7905
New Ordinary Share SEDOL post-General Meeting	BJVH790
AIM TIDM	AST

Notes:

1. Assuming the Resolutions are passed at the General Meeting

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2020
Announcement of the Proposals	14 February
Dispatch of this document	18 February
Latest time and date for receipt of Forms of Proxy for the General Meeting	2.30 p.m. on 3 March
General Meeting	2.30 p.m. on 5 March
Announcement of result of General Meeting	5 March
Record date for Capital Reorganisation	5.00 p.m. on 5 March
New Ordinary Shares admitted to trading on AIM and dealings in the New Ordinary Shares commence and enablement in CREST	8.00 a.m. on 6 March
Despatch of definitive share certificates for New Ordinary Shares in certificated form	by 20 March

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:

Louis Castro (*Non-executive Chairman*)
John Buggenhagen (*CEO*)
Colin Hutchinson (*Finance Director*)

Registered Office:

5 New Street Square
London
EC4A 3TW

17 February 2020

Dear Shareholder,

Capital Reorganisation, conditional placing
and
Notice of General Meeting

1. Introduction

Ascent is in a phase of re-focusing its business to positive production growth including reviewing opportunities outside Slovenia to diversify its asset base.

Significant production growth at the Petišovci field in Slovenia can only be achieved when the partners have successfully obtained the required permits to re-stimulate the existing producing wells (Pg-10 and Pg-11A) as part of a larger development project to recover the field's significant proven and potential gas reserves. Additional near-term production growth may also be possible by targeting other conventional oil and gas reservoirs within the large Petišovci concession area including undrilled fault blocks in the known producing structure. In 2019, the Company reprocessed the 2010 Petišovci 3D seismic survey using the latest technology, which has provided several attractive conventional appraisal and near-field exploration leads. Work is currently underway to progress these potential drilling opportunities with the Joint Venture Partners, but these opportunities will also need the requisite permits before they could be tested.

In order to progress matters in Slovenia, to meet costs and to source and assess new potential opportunities, further capital will be required. Accordingly, the Board has identified new management who will bring more opportunities to the Group and who have facilitated the raising of working capital for the Company by way of the Placing. The Board also recognises that, to allow the Placing to proceed and, more generally, the share capital of the Company requires restructuring, as explained further in paragraph 5 below.

The restructuring of the share capital of the Company and the granting to the Directors of the authority to allot additional share capital, which will allow new capital to be raised by way of the Placing, is fundamental to the future prospects of the Company.

If the Placing Resolutions are not passed in full, the Board doubts the ability of the Company to continue as a going concern.

2. The Petišovci project

Ascent holds a 75% interest in the Petišovci gas field in Slovenia, with its partner Geoenergo holding the remaining 25% through a concession signed in 2002 with a term of 19½ years, which is due for renewal in 2022. Ascent is liable for 100% of the financing obligations for the project. In 2011, two wells were drilled and flowed at commercial rates; however, development has been delayed due to the permitting issues described in further detail below.

The Company has been producing from the field since 2017, with the majority of production being exported to Croatia and sold to INA, a leading Croatian oil and gas business. In December 2019 the Company entered into a two-year extension of the gas sales agreement with INA, ensuring that once production can be increased, there is an existing route to market for that gas.

3. Permitting

The proper development of the field has been delayed by the permitting process in Slovenia. The IPPC Permit which is required for the installation of a processing plant at the field was finally awarded during 2019. The Well Permit which is required for the re-stimulation of wells Pg-10 and Pg-11A was blocked by the Slovenian Environment Minister and this decision has been appealed to the Administrative Court.

The Company is also progressing with a claim for damages for the significantly prolonged process and what the Board have been advised is a manifestly wrong decision.

4. Change of Directors and Management Reorganisation

Ascent will appoint James Parsons as Executive Chairman following satisfactory completion of regulatory due diligence. James has a wealth of corporate and transactional experience on AIM and a demonstrated ability to access capital to fund junior resource plays. He is Executive Chairman of Regency Mines plc and Non-Executive Chairman of Echo Energy plc and Coro Energy plc.

Ascent will also appoint Ewen Ainsworth and Leonardo Salvadori as independent Non-Executive Directors.

Ewen Ainsworth is an experienced AIM company director, currently the Non-Executive Chairman at Nostra Terra Oil and Gas Company plc. He is also a non-executive director at Regency Mines plc and the CEO of Discovery Energy Limited, an advisory, consultancy and Investment Company. He has worked in a variety of senior and board-level roles in the international natural resource sector for over 30 years, most recently as Finance Director for San Leon Energy plc and previously Gulf Keystone Petroleum Limited.

Leonardo Salvadori has over 35 years of international experience and is currently the Managing Director of Coro Energy plc's Italian business. Prior to that he held Managing Director positions in Sound Energy and Dana Gas Egypt. With a strong focus on business development as well as operations, Leonardo previously led business development and exploration/technical teams in Centurion and Eni across MENA, Asia and Europe.

Louis Castro and Colin Hutchinson will set down from the board at the conclusion of the General Meeting.

5. Capital Reorganisation

The Company's Ordinary Shares are currently trading at below nominal value. The Company is not permitted by law to issue shares at an issue price below their nominal value.

Furthermore, a consequence of having a very large number of shares in issue, with a very low market share price, is that small share trades can result in large percentage movements in the market share price which results in considerable share price volatility. The Board also believes that the bid-offer spread on shares priced at low absolute levels can be disproportionate to the market share price, to the detriment of Shareholders.

The Directors propose, therefore that the Company effects the Capital Reorganisation on the basis that:

- (a) the Existing Ordinary Shares of 0.2 pence will each be subdivided into:
 - i. one Redenominated Ordinary Share (being an ordinary share in the capital of the Company with a nominal value of 0.005 pence); and
 - ii. one Deferred Share (being a deferred share in the capital of the Company with a nominal value of 0.195 pence), and

- (b) the Redenominated Ordinary Shares of 0.005 pence each (resulting from the subdivision referred to in paragraph (a) above) will be consolidated into new ordinary shares of 0.5 pence each (the “**New Ordinary Shares**”) on the basis of one New Ordinary Share for every 100 Redenominated Ordinary Shares.

Where the Capital Reorganisation results in any Shareholder being entitled to a fraction of a New Ordinary Share, such fraction shall be aggregated and the Directors intend to sell (or appoint another person to sell) such aggregated fractions in the market and retain the net proceeds for the benefit of the Company.

The Deferred Shares will not be admitted to trading on AIM (or any other investment exchange). The Deferred Shares will have limited rights, and will be subject to the restrictions, as set out in the Company’s New Articles, proposed to be adopted at the General Meeting, and as summarised below.

The Deferred Shares will not be transferable. The holders of the Deferred Shares shall not, by virtue or in respect of their holdings of Deferred Shares, have the right to receive notice of any general meeting of the Company or the right to attend, speak or vote at any such general meeting.

The Deferred Shares will not entitle their holders to receive any dividend or other distribution. The Deferred Shares will on a return of assets in a winding up entitle the holder only to the repayment of £1.00 for the entire class of Deferred Shares after repayment of the capital paid up on the New Ordinary Shares plus the payment of £10,000,000 per New Ordinary Share.

The Company will have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to the transfer of the same to such person as the Company may determine or as the Company determines as custodian thereof, without making any payment to the holders thereof, and/or consent to cancel the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holders thereof. The Company may, at its option at any time, purchase all or any of the Deferred Shares then in issue, at a price not exceeding £1.00 for each aggregate holding of Deferred Shares so purchased. The Directors consider the Deferred Shares, so created, to be of no economic value.

The Articles have been amended, inter alia, to reflect the creation of the Deferred Shares and to set out the rights attaching to them and, accordingly, Resolution 7 seeks approval to adopt the New Articles of the Company reflecting, inter alia, these changes.

No share certificates will be issued in respect of the Deferred Shares. Existing share certificates will remain valid for the Redenominated Ordinary Shares. New share certificates will be issued for the New Ordinary Shares.

The New Ordinary Shares will be freely transferable, and application will be made for the New Ordinary Shares to be admitted to trading on AIM. The record date for the Capital Reorganisation is 5.00 p.m. on 5 March 2020, unless otherwise agreed by the Board.

The rights attaching to the New Ordinary Shares will be identical in all respects to those of the Existing Ordinary Shares.

One consequence of the Capital Reorganisation is that Shareholders holding fewer than 100 Existing Ordinary Shares will receive no New Ordinary Shares, they will, however, receive Deferred Shares. Any Shareholder holding fewer than 100 Existing Ordinary Shares may request the cash equivalent of such Existing Ordinary Shares by contacting Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.

6. Placing

To fund the Company while it pursues these opportunities, the Board has conditionally raised £800,000 at an issue price of 5 pence per Placing Share, subject to the approval of Shareholders.

The Placing will be completed by way of subscription letters between the Company and the relevant placees, and will be conditional on the passing of the Placing Resolutions at the General Meeting. Shareholders will have their proportionate shareholdings in the Company diluted by approximately 35 per cent. as a result of the Placing, assuming that no further shares are issued after the date of this document.

7. Authority to allot shares and disapplication of pre-emption rights

The Directors are seeking a general authority, in addition to the authority in relation to the Placing, to allot new shares, free of pre-emption rights and without further recourse to shareholders, which is above the level recommended by the relevant corporate guidelines. The significantly higher level being sought is due to (i) the relatively low market capitalisation of the Company at the current time and (ii) the level of funding required by the Company in the medium term in order to execute on the stated strategy of securing additional assets outside of Slovenia.

This authority is essential to enable to new Board of Directors to capitalise in a timely fashion on attractive opportunities to execute on the stated strategy of diversifying its asset base.

8. Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares (including the Placing Shares) to be admitted to trading on AIM. It is expected that such Admission will become effective and that dealings will commence at 8.00 a.m. on 11 March 2020.

9. General Meeting

Set out at the end of this document is a notice convening a General Meeting of the Company to be held at 2.30 p.m. on 5 March 2020 at the offices of Taylor Wessing LLP, 5 New Street Square, London, EC4A 3TW, at which the Resolutions will be proposed.

The Resolutions may be summarised as follows:

- (a) Resolutions 1 and 2 approve the Subdivision of the entire issued share capital of the Company into Redenominated Ordinary Shares and Deferred Shares, together with the Consolidation of the Redenominated Shares into New Ordinary Shares on the basis of 100 Redenominated Shares for every 1 New Ordinary Share;
- (b) Resolutions 3 and 5 seek authority to allot and issue the Placing Shares free of any pre-emption rights;
- (c) Resolutions 4 and 6 seek a significantly increased general authority to allot and issue shares free of pre-emption rights, representing approximately 100% of the share capital of the Company immediately following the Capital Reorganisation and the Placing; and
- (d) Resolution 7 approves the adoption of the New Articles.

10. 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, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or, during normal business hours only, by hand, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE by no later than 2.30 p.m. on 3 March 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

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 will not prevent you from attending and voting at the General Meeting, or any adjournment thereof.

11. Recommendation

The restructuring of the share capital of the Company and the granting to the Directors of the authority to allot additional share capital, which will allow new capital to be raised, is fundamental to the future prospects of the Company. If the Placing Resolutions are not passed in full, the Board doubts the ability of the Company to continue as a going concern.

The Directors intend to vote in favour of the Resolutions in respect of their aggregate shareholdings of 2,570,370 Ordinary Shares representing approximately 0.09 per cent. of the Company's Existing Issued Share Capital.

Yours faithfully

Louis Castro
Chairman

PART II

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Ascent Resources plc (the "**Company**") will be held at the offices of Taylor Wessing LLP, 5 New Street Square, London, EC4A 3TW on 5 March 2020 at 2.30 p.m.

You will be asked to consider and, if thought fit, approve the following resolutions. Resolutions 1 to 4 (inclusive) will be proposed as ordinary resolutions and Resolutions 5 to 7 (inclusive) will be proposed as special resolutions.

Unless the context requires otherwise, words and expressions defined in the circular dated 17 February 2020 (of which this notice forms part) (the "**Circular**") have the same meanings when used in this notice.

Ordinary Resolutions

1. **THAT** the subdivision of the Company's issued share capital of 3,019,648,452 Ordinary Shares be hereby approved on the basis that each existing Ordinary Shares of 0.2 pence will be subdivided and re-designated as one Redenominated Ordinary Share and one Deferred Share (each with the rights attaching to it as set out in the New Articles), such that the issued share capital will be as follows:
 - a. 3,019,648,452 Redenominated Ordinary Shares each with a nominal value of 0.005 pence;
 - b. 3,019,648,452 Deferred Shares each with a nominal value of 0.195 pence; and
 - c. 1,737,110,763 Existing Deferred Shares each with a nominal value of 0.09 pence.
2. **THAT**, subject to and conditional upon the passing of Resolution 1 above, the Redenominated Ordinary Shares be consolidated by a factor of 100 in order to reduce the number of ordinary shares in issue, such that the issued share capital of the Company will be as follows:
 - a. 30,196,485 New Ordinary Shares each with a nominal value of 0.50 pence; and
 - b. 3,019,648,452 Deferred Shares each with a nominal value of 0.195 pence; and
 - c. 1,737,110,763 Existing Deferred Shares each with a nominal value of 0.09 pence.
3. **THAT**, 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 £80,000 in connection with the Placing, provided that that this authority shall be limited to the allotment of up to 16,000,000 New Ordinary Shares (with an aggregate nominal value of £80,000) at an issue price of 5 pence per Placing Share; and the authorities conferred by this resolution shall expire on 31 March 2020 (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.
4. **THAT**, in addition to the authority conferred by Resolution 3 above, the Directors be, and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Act, to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £230,982.42.

This authority shall apply in substitution for all previous authorities (but without prejudice to the validity of any allotment pursuant to such previous authority) and shall, unless previously revoked or varied by the Company in a general meeting, expire on the conclusion of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 April 2020) provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired.

Special Resolutions

5. **THAT**, subject to the passing of Resolution 3 above, the Directors be generally and unconditionally empowered for the purposes of section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash in connection with the Placing pursuant to the authority conferred by Resolution 3 above as if section 561 of the Act did not apply to such allotment. This power shall (unless previously renewed, varied or revoked by the Company in general meeting) expire on 31 March 2020, save that the Company may before the expiry of this power make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares sold, after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.
6. **THAT**, subject to the passing of Resolution 4 above, the Directors be generally and unconditionally empowered for the purposes of Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash:
 - (a) pursuant to the authority conferred by paragraph (b) of Resolution 4 above; or
 - (b) where the allotment constitutes an allotment by virtue of Section 560(3) of the Act,

in each case as if Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (i) the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (b) of Resolution 4, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only) to:
 - (A) the holders of ordinary shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them; and

- (B) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (ii) the allotment of equity securities, other than pursuant to paragraph (i) above of this resolution up to an aggregate nominal amount of £230,982.42 for any purpose.

This power shall (unless previously renewed, varied or revoked by the Company in general meeting) expire at the conclusion of the next annual general meeting of the Company following the passing of this resolution (or, if earlier, at the close of business on 30 April 2020), save that the Company may before the expiry of this power make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares sold, after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

7. **THAT**, the existing articles of association of the Company be replaced with the New Articles (a complete copy of which shall be available for inspection in accordance with the explanatory notes) and that the New Articles be approved and adopted to the entire exclusion of the existing articles of association of the Company.

BY ORDER OF THE BOARD

C Hutchinson,
Company Secretary
17 February 2020

5 New Street Square
London EC4A 3TW

Notes

- Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY by hand, or sent by post, so as to be received by 2.30 p.m. on 3 March 2020.
- The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he wish to do so.
- The Company has specified that only those members entered on the register of members at 2.30 p.m. on 3 March 2020 shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of £0.002 each in the capital of the Company held in their name at that time. Changes to the register after 2.30 p.m. on 3 March 2020 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
- A member that is a company or other organisation not having a physical presence cannot attend 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 in Notes 2 to 4 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Articles and the relevant provision of the Act.
- As at 14 February 2020 (being the last business day prior to the publication of this notice) the Company's issued ordinary share capital consists of 3,019,648,452 ordinary shares of £0.002 each, carrying one vote each. The Company does not have any treasury shares in issue. Therefore, the total voting rights in the Company as at 14 February 2020 are 3,019,648,452.
- Resolutions 1 and 2** – these resolutions approve the Subdivision of the entire issued share capital of the Company into Redenominated Ordinary Shares and Deferred Shares, together with the Consolidation of the Redenominated Shares into New Ordinary Shares on the basis of 100 Redenominated Shares for every 1 New Ordinary Share.
- Resolutions 3 and 5** – these resolutions provide authority to allot and issue the Placing Shares free of any pre-emption rights.
- Resolutions 4 and 6** – Resolution 4 provides the Directors with general authority to allot and issue shares up to a maximum aggregate nominal value of £230,982.42., representing 100% of the share capital of the Company immediately following the Capital Reorganisation and the Placing. There is currently no intention to exercise this general authority. There may be occasions when the Directors need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer being made to existing shareholders. This cannot be achieved unless the shareholders have first waived their pre-emption rights. Resolution 6 therefore provides the Directors with authority to allot and issue shares free of pre-emption rights. Such authority is limited to the issue of shares for cash up to a maximum £230,982.42, representing 100% of the share capital of the Company immediately following the Capital Reorganisation and the Placing. These limits are not in line with corporate governance guidelines but are considered by the Directors to be appropriate and in the best interests of the Company

given its present financial circumstances and the potential requirement to raise equity capital at shorty notice should the need and opportunity arise in the future.

11. **Resolution 7** – this resolution approves the adoption of the New Articles, which set out the rights attaching to the Deferred Shares.

12. A copy of this notice and of the New Articles can be found at <https://www.ascentresources.co.uk/investors>.

