

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to immediately consult your stockbroker, bank manager, solicitor, accountant or other professional adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act, 1995 or the European Communities (Markets in Financial Instruments Directive) Regulation 2007 (as amended) or, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 (as amended) of the United Kingdom or, if you are taking advice other than in Ireland and the United Kingdom, is an appropriately authorised independent adviser.

If you have sold or otherwise transferred your entire holding of Ordinary Shares in Petrel Resources Plc, please forward this document, together with the enclosed 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 transmission to the purchaser or transferee as soon as possible. If you have sold or otherwise transferred only part of your holding of Ordinary Shares in Petrel Resources Plc, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

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 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Petrel Resources Plc

(Incorporated in Ireland under the Companies Act 2014 with registered number 92622)

**Approval of the Whitewash Resolution under Rule 9 of the Irish Takeover Rules
and
Notice of Extraordinary General Meeting**

Your attention is drawn to the recommendation of the Board of Directors of the Company which is set out in this document and which recommends that you vote in favour of the Resolution set out in the notice of Extraordinary General Meeting referred to below.

The release, publication or distribution of this document in or into jurisdictions other than Ireland and the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions or applicable requirements. Failure to comply with any such restrictions or applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

Notice of an Extraordinary General Meeting to be held at the Gresham Hotel, 23 O'Connell Street Upper, North City Dublin, D01 C3W7 on 21st November 2019 at 12.00 noon is set out at the end of this document. For Shareholders who hold Existing Ordinary Shares in certificated form, a Form of Proxy for use at the General Meeting is enclosed which, if you wish to validly appoint a proxy, should be completed and signed in accordance with the instructions printed thereon, and returned by post to the Company's Registrars, Computershare, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland as soon as possible but in any event so as to be received by the Company's Registrars no later than 48 hours before the time appointed for the Extraordinary General Meeting. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting, or any adjournment thereof, should you wish to do so.

Alternatively, for those Shareholders who hold Existing Ordinary Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Computershare. In each case the proxy appointment must be received by no later than **19th November 2019 at 12.00 noon** 2019. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

This document contains no offer of securities to the public within the meaning of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland, the Prospectus Rules of the Financial Conduct Authority of the United Kingdom or otherwise. This document has not been approved by the Central Bank of Ireland or the Financial Conduct Authority (FCA) of the United Kingdom. This document does not constitute a prospectus and a copy of it has not nor will be delivered to the Companies Registration Office of Ireland or the Registrar of Companies in England and Wales.

The completion and return of the Form of Proxy, or the use of the CREST electronic proxy appointment service will not prevent you from attending and voting at the Extraordinary General Meeting, or any adjournment thereof, in person should you wish to do so.

If you have any questions about this document or the Extraordinary General Meeting or are in any doubt as to how to complete the Form of Proxy, please call the Company's Registrars, Computershare, helpline on 01 447 5566. Lines are open Monday to Friday between 9.00 a.m. and 5.00 p.m. (from outside Ireland +353 1 447 5566). Please note that calls may be monitored or recorded and the representatives cannot provide financial advice or advice on the merits of the approval of the Resolution.

The distribution of this document in jurisdictions other than the United Kingdom or Ireland may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document should not be forwarded or transmitted in or into the United States, Canada, Australia, South Africa, Japan or any other jurisdiction where it would be illegal to do so.

Beaumont Cornish, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no-one else (including the recipients of this document) and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the contents of this document or any matter, transaction or arrangement referred to therein. Beaumont Cornish makes no representation or warranty, express or implied, as to the contents of this document and Beaumont Cornish does not accept any liability whatsoever for the accuracy of or opinions contained in (or for the omission of any material information) this document and shall not be responsible for the contents of this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Beaumont Cornish may have under the Financial Services and Markets Act 2000 or the regulatory regime established thereunder.

Beaumont Cornish has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.

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

A copy of this document may be downloaded via the Company's website (www.petrelresources.com) or inspected at the registered office of the Company (162 Clontarf Road, Dublin 3, Ireland) or at the offices of McEvoy Corporate Law, 22 Fitzwilliam Place, Dublin 2, Ireland.

This document is dated 30 October 2019.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Posting of this document and Form of Proxy	1 November 2019
Latest time and date for receipt of Forms of Proxy	12.00 a.m. on 19 November 2019
Extraordinary General Meeting	12.00 p.m. on 21 November 2019
Announcement of the results of the Extraordinary General Meeting	on 21 November 2019
Expected time and date for Admission and commencement in dealings in the New Ordinary Shares on AIM	on or before 25 November 2019
Expected date of dispatch of definitive share certificates for the New Ordinary Shares	on or before 25 November 2019

Note

Unless otherwise stated, all references in this document are to Dublin time. The dates given are based on the Directors' expectations and may be subject to change. Any change to the timetable will be notified to the London Stock Exchange and to the market via a regulatory announcement.

DEFINITIONS

In this document and in the Form of Proxy the following expressions have the following meanings.

"Act" or "Companies Act"	the Companies Act 2014 of Ireland
"Admission"	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules, assuming the proposed Resolution is passed
"AIM"	the AIM market of the London Stock Exchange
"AIM Rules"	the rules for AIM companies and their nominated advisers issued by the London Stock Exchange governing the admission to and the operation of AIM
"Articles of Association"	the articles of association of the Company
"Beaumont Cornish", "Nomad", or "Nominated Adviser"	Beaumont Cornish Limited incorporated and registered in England and Wales with company number 3311393 whose registered office is at 3 Hardman Street, Manchester, M33HF, England
"Board"	the board of Directors of the Company
"Business"	the business carried on by the Company, namely oil and gas exploration
"Business Day"	a day (other than Saturdays, Sundays, public holidays or bank holidays) on which banks are generally open for normal business in Ireland;
"Circular"	this document dated 30 October 2019, containing information about the proposed Resolution and the Extraordinary General Meeting
"Company", "Petrel" or "Petrel Resources"	Petrel Resources Plc, a public limited company incorporated in Ireland with registered number 92622 and registered office at 162 Clontarf Road, Dublin 3
"Concert Party"	those persons whose names and details are set out in Part 3 of this document, being the persons that the Company has agreed with the Panel are acting in concert within the meaning of the Takeover Rules
"CREST"	the computer based settlement system and procedures which enable title to securities to be evidenced and transferred without a written instrument and which is operated by Euroclear
"CREST Regulations"	the Companies Act, 1990 (Uncertificated Securities) Regulations 1996 (S.I. 68/1996) of Ireland (as amended)
"Directors"	the directors of the Company, whose names are set out on page 8
"Disclosure Date"	as at the close of business on 29 October being the latest practicable date prior to the publication of this document
"Enlarged Share Capital"	the Existing Ordinary Shares and the New Ordinary Shares

“Existing Ordinary Shares”	the 149,346,159 ordinary shares of €0.0125 each in the capital of the Company in issue as at the date of this document (being the entire issued ordinary share capital of the Company)
“Existing Shareholders”	holders of the Existing Ordinary Shares
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 21 November 2019 to approve the Resolution
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales and the operator of CREST
“Form of Proxy”	as included in this notice of EGM
“Independent Directors”	John Teeling, David Horgan, Riadh Mahmoud Hameed
“Independent Shareholders”	the shareholders of the Company excluding members of the Concert Party
“Lock-in Deed”	the lock-in deed entered into between the Company and Mr Roger Edward Tamraz, Mr Michel Fayad, Mr Said Mehraik, Netoil and Beaumont Cornish on 30 October 2019 further details on which are set out in paragraph 12 of Part 1 of this document
“Lock-in Parties”	Mr Roger Edward Tamraz, Mr Michel Fayad, Mr Said Mehraik, and Netoil Inc Ltd
“July Placing”	a private placing of 44,788,913 Ordinary Shares in the capital of the Company at 1.25 cent per Ordinary Shares entered into on 25 July 2019 pursuant to the Transaction
“London Stock Exchange”	London Stock Exchange plc
“Netoil”	Netoil Inc Ltd, a limited liability company incorporated and registered in Bulgaria with company number 205764057 whose registered office is at Boulevard Tzarigradsko Shosse 101, et. 7, Sofia 113, Bulgaria
“New Ordinary Shares”	the 64,035,976 new ordinary shares in the capital of the Company to be allotted to Netoil pursuant to the terms of the Transaction
“Notice” or “Notice of EGM” or “Notice of Extraordinary General Meeting”	the accompanying notice of the extraordinary general meeting, as set out at the end of this document
“Ordinary Shares”	ordinary shares of €0.0125 each in the capital of the Company
“Placing Shares”	the 44,788,913 ordinary shares in the capital of the Company issued and allotted on 30 July 2019 pursuant to the Transaction
“Relationship Agreement”	the relationship agreement entered into between the Company, Roger Edward Tamraz, Michel Fayad, Said Mehraik, Netoil and Beaumont Cornish on 30 October 2019, further details on which are set out in paragraph 9 of Part 1 of this document

“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction in which it would be unlawful to distribute the document and would be required to be approved by a regulatory body
“Shareholders”	holders of shares (of any class) in the capital of the Company
“Significant Shareholders”	Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil
“Substantial Transaction”	any transaction which would come within the definition of a Reverse Takeover under Rule 14 of the AIM Rules whether or not such transaction is effected on AIM or another public market
“Takeover Rules” or the “Irish Takeover Rules”	the Irish Takeover Panel Act 1997, Takeover Rules 2013
“Takeover Panel”	the Irish Takeover Panel, established pursuant to the Irish Takeover Panel Act 1997
“Transaction”	the conditional agreement entered into by the Company with Mr Roger Edward Tamraz and Mr Michel Fayad for the subscription, through a private placing, for an initial 44,788,913 ordinary shares in the capital of the Company (representing a 29.99% interest after such allotment) at 1.25 cent per ordinary share which completed on 30 July 2019 (Step One) and a further allotment of 64,035,976 ordinary shares in the capital of the Company (representing a 30.01% interest after such allotment) at 1.25 cent per ordinary share, subject to the approval of the Takeover Panel (Step Two).
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority” or “UKLA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“Waiver”	the waiver of the requirements of Rule 9 of the Takeover Rules as described in further detail in paragraph 7 of Part 1 of this document that would otherwise arise on the Concert Party to make a general offer to all the Shareholders pursuant to Rule 9 of the Takeover Rules as a result of the issue of New Ordinary Shares
“Whitewash Resolution”	the resolution set out in the Notice to be proposed at the Extraordinary General Meeting for approval by the Independent Shareholders on a poll



PART 1

Letter from the Chairman of Petrel Resources Plc

Directors; John Teeling
 David Horgan
 Michel Fayad
 Riadh Mahmoud Hameed

30 October 2019

Dear Shareholders,

**Approval of Whitewash Resolution under Rule 9 of the Irish Takeover Rules
And
Notice of Extraordinary General Meeting**

1. Introduction

On 25 July 2019, the Company entered into a conditional agreement with Mr Roger Edward Tamraz and Mr Michel Fayad whereby they would procure the subscription, through a private placing, for an initial 44,788,913 ordinary shares in the capital of the Company (**Placing Shares**) (representing a 29.99 per cent. interest after such allotment) at 1.25 cent per ordinary share (**Step One**). The parties further agreed, subject to the granting of a waiver by the Takeover Panel of any mandatory offer which may arise under the Takeover Rules, that an additional 64,035,976 ordinary shares in the capital of the Company (**New Ordinary Shares**) (representing 30.01 per cent. interest after such allotment) would be subscribed for at 1.25 cent per share (**Step Two**). It was agreed by the Board that it is in the best interests of the Shareholders of the Company to carry out the Transaction in two stages in order to secure the investment in the Company, subject to and conditional upon, in respect of Step Two, the conditions referred to in this Circular.

2. The Transaction

The Transaction will result in the allotment of a total of 108,824,889 ordinary shares, which is an increase by more than 100 per cent. of the Company's issued share capital prior to the Transaction. The Transaction, therefore, constitutes a reverse takeover (**Reverse Takeover**) within the meaning of the Irish Takeover Rules.

Step One was completed and announced on 30 July 2019 whereby the Company raised €559,861 by the issue of the 44,788,913 Placing Shares of to the following subscribers:

Subscriber	No. of Ordinary Shares subscribed for	% Interest
Mr Roger Edward Tamraz	14,934,615	10.00%
Mr Michel Fayad	14,934,615	10.00%
Mr Said Mehraik	7,467,308	5.00%
Mr Marc, Jean-Louis, d'Hombres	1,493,462	1.00%
Mr George Mgaloblichvili	1,493,462	1.00%
Mr Antoine Baaklini	1,493,462	1.00%
Mr Nikolay Paskalev Paskalev	1,493,462	1.00%
Mrs Dolly Khoury	1,478,527	0.99%

Each of the above parties and Netoil has confirmed to the Company, having regard to their business relationships, that they should be regarded as a concert party for the purposes of the Takeover Rules (**Concert Party**). The individual members of the Concert Party are private equity investors and friends and business acquaintances of Mr Roger Edward Tamraz or Michel Fayad who have collaborated together on a number of private investments in the oil and gas and related sectors over the last ten years.

Pursuant to Step Two it is intended that, subject to and conditional upon the Whitewash Resolution being passed by the Independent Shareholders on a poll, Netoil will subscribe for and be allotted the New Ordinary Shares at a subscription price of 1.25 cent each, representing in aggregate 30.01 per cent. of the Company's Enlarged Share Capital. The aggregate holding by the Concert Party will then be 51 per cent of the Company's Enlarged Share Capital. At the time of the initial agreement in July, this price represented the fair market value of the stock and in the Board's view continues to do so on fundamentals, particularly given the regulatory uncertainty over existing Petrel projects in Ireland, Ghana, and Iraq, together with a reasonable expectation of quality investment-grade deal flow from the new shareholders, as well as enhanced financial credibility and funding capabilities arising from their involvement. The subsequent appreciation of the Petrel share price confirms the Board's view that the proposed increase in the holding of the Concert Party and in particular the direct investment by Netoil as a substantial shareholder in its own right remains in the best interests of Petrel Shareholders. Moreover, Netoil and the principal members of the Concert Party (being the Locked-in Parties) have agreed to be locked in for a period being the earlier of 12 months from the date of Admission or the date of completion of a Substantial Transaction so unlike other shareholders will not be able to trade their shares (including those subscribed in the earlier July Placing) until it is clear what benefit they have brought, as hoped, to the Company.

Netoil is a limited liability Bulgarian incorporated company. It was incorporated on 25 July 2019 under registration number 205764057 with a registered office located at Boulevard Tzarigradsko Shosse 101, et. 7, Sofia 113, Bulgaria. The current shareholders of Netoil are Mr Michel Fayad (50%) and Mr Said Mehraik (50%). Mr Roger Edward Tamraz will become a shareholder of this company (he will then hold 34%, Mr. Michel Fayad will then hold 33% and Mr. Said Mehraik will then hold 33%). The directors of Netoil are Mr. Michel Fayad, Mr. Said Mehraik, Mr. Nikolay Paskalev, Paskalev. As Netoil is a newly incorporated company it has not traded to date and has not published any financial information. It is currently funded by its existing shareholders.

Mr. Michel Fayad is a private equity investor. He has experience in business development, project management and project finance. He started his career as Financial Analyst at the MENA Hedge Fund of the Evolve Group in Dubai (United Arab Emirates). He is founder and director of Boost Incorporated, an integrated international oil company.

Mr. Said Mehraik is a private equity investor. He has experience in European oil and gas, hotels, banking and finance groups. He was the former Chief Executive Officer and Chief Financial Officer at Milshare (Financial Holding) and a former Chief Accounting Officer of Oil Capital Ltd. (OCL) Inc. He is the President of Tamoil USA Inc.

Mr. Roger Edward Tamraz is a private equity investor specialising in oil & gas, banking, reorganisations and restructurings. His past holdings and directorships of companies in the oil & gas and related sectors include Intra Investment Company, of which Mr Tamraz was founder and director. Intra Investment Company owned Chantiers Navals de la Ciotat (CNC), the second largest shipyard in France. Mr Tamraz established the First Arabian Corporation, having purchased and combined the Italian assets of Amoco (Standard Oil Company of Indiana). Mr Tamraz founded Tamoil (Tamraz Oil) and Oil Capital Limited (OCL) Inc. (which acquired the exploration and development rights and equity ownership positions in Turkmenistan's Blocks I (offshore) and III (onshore), two of the country's major oil and gas producing properties. In addition, Mr Tamraz has been involved at a senior level with the following very successful projects in the oil & gas sector: the Suez-Mediterranean (SUMED) Pipeline, Ar-Razi (formerly Japanese Saudi Methanol Company), and the Baku-Tbilisi-Ceyhan (BTC) Pipeline.

3. AIM Rule 13 – Related Party Transaction

As aforementioned, the Directors consider that the subscription price of 1.25 cent remains appropriate for the injection of further funds into the Company. Accordingly, also taking into account:

1. the Relationship Agreement designed to ensure that the Company can actually carry on the Business independently of Roger Tamraz, Michel Fayad, Said Mehraik and Netoil,
2. the Lock-in over the Ordinary Shares in the Company held by the Lock-in Parties (including Placing Shares acquired in the July Placing and the New Ordinary Shares), and
3. the opportunity for Shareholders to approve or otherwise the arrangements,

the Directors, other than Mr Michel Fayad, who is a member of the Concert Party, are independent of the Transaction (**Independent Directors**), consider having consulted with the Company's Nominated Adviser, that the terms of the Transaction are fair and reasonable in so far as the Shareholders of the Company are concerned.

4. Admission to Trading

The New Ordinary Shares are being issued pursuant to the existing authorities approved by the Shareholders on 24th July 2019 at the Annual General Meeting.

Admission to trading of the New Ordinary Shares is expected to occur on or before 25 November 2019, assuming the Whitewash Resolution is passed. Following Admission, the Company will have 213,382,135 Ordinary Shares in issue. The Company holds no shares in treasury. Shareholders should use the figure of 213,382,135 as the denominator for the calculations by which they will determine if they are required to notify their interest in or change to their interest in the Company, under the FCA's Disclosure Guidance and Transparency Rules.

5. Future Strategy

Post the Transaction the future strategy of the Company will be the continued oil & gas exploration, development and production in the MENA region, as well as the development of oil & gas pipelines in the Middle East. Netoil shareholders and executives are intimately familiar with oil projects in the region, particularly in Iraq, and Libya, but have lacked an appropriate operating vehicle until Netoil's investment in Petrel. Conversely, Petrel has longstanding operating experience in Iraq and neighbouring countries, but has hitherto lacked substantial backers familiar with the region. Co-operation between the two expands the opportunities available.

Any such transaction will be subject to customary legal, licencing and accounting due diligence and regulatory compliance including compliance with the Irish Takeover Rules and the AIM Rules as appropriate. Subject to the relative size of such transaction, it may constitute a reverse takeover under the AIM Rules requiring shareholder approval and a full re-Admission process.

6. Dispensation from Rule 9 of the Takeover Panel

The Transaction will give rise to certain considerations under the Takeover Rules. Brief details of the Takeover Rules and the protections they afford are described below.

Under Rule 9 of the Takeover Rules, where any person or any persons acting in concert acquire, whether by a series of transactions over a period of time or not, a holding in shares which (taken together with shares already held by that person or by persons acting in concert) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Rules, that person, or in case of persons acting in concert such one or more persons as the Panel may direct, will be obliged to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company in accordance with Rule 9 of the Takeover Rules unless that obligation has been waived by the Panel.

Under the Takeover Rules, when the issue of new securities in consideration for an acquisition or a cash subscription would otherwise result in an obligation to make a general offer under Rule 9 of the Takeover Rules, the Takeover Panel will normally grant a waiver of that obligation subject to, *inter alia*, an Independent Shareholders vote on a poll at an extraordinary general meeting approving the proposals which would

otherwise give rise to the obligation to make an offer. The relevant resolution in this case is the Whitewash Resolution.

On completion of the Transaction, Petrel will allot and issue the New Ordinary Shares, equal to 30.01 per cent. of the issued share capital of the Company after such allotment and issue. As a result, the Concert Party will hold 51 per cent. of the voting rights in Petrel and would ordinarily be obliged to make a cash offer pursuant to Rule 9 of the Takeover Rules for the remaining issued shares of Petrel. Therefore, Petrel and the Concert Party have sought a Rule 9 Waiver from the Takeover Panel to permit the Concert Party to acquire a 51 per cent shareholding without the need to make a general offer under the Takeover Rules, which the Panel has agreed to waive subject to:

- (i) the passing of the Whitewash Resolution by Independent Shareholders at the EGM. Voting on the Whitewash Resolution will be put to a poll, as required by the Takeover Rules; and
- (ii) the approval by the Panel of a circular to Shareholders in accordance with the whitewash guidance note of Rule 9 in the Takeover Rules. This Circular has been so approved in this respect only.

The Whitewash Resolution is subject to the approval of a simple majority of the Independent Shareholders on a poll and each Independent Shareholder will be entitled to one vote for each Existing Ordinary Share held. None of the members of the Concert Party will vote on the Whitewash Resolution.

Assuming the Whitewash Resolution is passed, as noted above, upon Admission the Concert Party will control the voting rights of Placing Shares and New Ordinary Shares representing 51 per cent. of the Enlarged Share Capital. Accordingly, following Admission and for so long as the Concert Party holds more than 50 per cent. of the Company's voting share capital (for the purposes of the Takeover Rules), the Concert Party might then be permitted by the Panel to increase their holding in the Company without incurring an obligation under Rule 9 to make a general offer for the Company.

7. Reverse Takeover Transaction under the Irish Takeover Rules

If approved, the Transaction will result in an increase by more than 100 per cent. of the Company's existing issued share capital that confers voting rights and therefore the transaction is classified by the Takeover Panel as a "reverse takeover transaction". Pursuant to Rule 3.2 of the Takeover Rules, the Board is therefore required to obtain competent independent advice that the entering into the reverse takeover transaction is in the interests of its Shareholders.

Your attention is drawn to paragraph 16 of this Part 1 which provides a recommendation from the Directors in relation to the Waiver/Whitewash Resolution and the reverse takeover transaction.

8. The Concert Party

The Concert Party includes each of Mr Roger Edward Tamraz, Mr Michel Fayad, Mr Said Mehraik, Netoil Inc Ltd, being also subject to Lock-in Deed and Relationship Agreement, Mr Marc, Jean – Louis, d'Hombres, Mr George Mgaloblichvil, Mr Antoine Baaklini, Mr Nikolay Paskalev Paskalev and Mrs Dolly Khouny.

Further details on each member of the Concert Party are set out in Part 3 of this Circular.

9. Summary of The Relationship Agreement

On the implementation of Step Two of the Transaction, Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil (**Significant Shareholders**) will together be interested in 101,372,514 Ordinary Shares representing 47.51 per cent. of the Enlarged Share Capital. Pursuant to an agreement dated 30 October 2019 made between (1) the Company, (2) Mr Roger Tamraz, (3) Mr Michel Fayad (4) Mr Said Mehraik, (5)

Netoil Inc Ltd and (6) Beaumont Cornish Limited (**Relationship Agreement**) the parties, agreed procedures to manage the relationship between them to ensure, *inter alia*, that:

- (a) the Company will at all times be capable of carrying on the Business independently of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil; and
- (b) all transactions and arrangements between the Company and Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and/or Netoil will be at arm's length and on normal commercial terms.

The Relationship Agreement provides that for so long as any Significant Shareholders individually or collectively are interested in voting rights representing more than 30 per cent of the rights to vote at a general meeting of the Company attaching to shares, they shall, be entitled to nominate two directors for appointment to the Board.

All director appointments are subject to the satisfactory completion of the Nomad's due diligence and overall agreement that the enlarged board structure post appointment(s) is appropriate for a company admitted to trading on AIM.

The provisions of the Relationship Agreement will remain in force for so long as: -

1. the Placing Shares and New Ordinary Shares are admitted to trading on AIM; and
2. each of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil individually or together are interested in voting rights representing 30% or more of the rights to vote at a general meeting of the Company.

10. **Summary of Lock-in Deed**

On the implementation of Step Two of the Transaction, Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil (**Lock-in Parties**) will be the owner of 47.51 per cent. of the Enlarged Share Capital. Pursuant to an agreement dated 30 October 2019 made between (1) the Company, (2) Mr Roger Tamraz, (3) Mr Michel Fayad, (4) Mr Said Mehraik, (5) Netoil and (6) Beaumont Cornish (**Lock-in Deed**), the Lock-in Parties, agreed to enter into certain restrictions with regard to the disposal of the Ordinary Shares in the Company held by them (including Placing Shares acquired in the July Placing and the New Ordinary Shares) to ensure, *inter alia*, that each of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil will not effect any disposal of the Ordinary Shares held by them during the lock-in period being the earlier of 12 months from the date of Admission or the date of completion of a Substantial Transaction.

11. **Wider Intentions of the Concert Party**

The current Chairperson of the Company, Mr John Teeling, will remain as an executive director. The members of the Concert Party have confirmed to the Company that it is not proposing to seek a change in the general nature of the Company's business.

The members of the Concert Party have also confirmed that they do not intend to make any changes regarding the locations of the Company's places of business or the continued employment of its employees and management nor does the Concert Party intend that there should be any redeployment of the fixed assets of the Company. Post the Transaction the future strategy of the Company will be the continued oil & gas exploration, development and production in the MENA region, as well as the development of oil & gas pipelines in the Middle East.

The Concert Party intends that the Company should remain quoted on AIM and may only vote their shareholding in favour of a cancellation from admission to trading on AIM if the Independent Directors recommend such cancellation.

12. Extraordinary General Meeting and the Whitewash Resolution

A notice convening the Extraordinary General Meeting is set out in the Appendix to this Circular, at which the Whitewash Resolution, will be proposed.

The EGM will take place at 21 November 2019.

The Whitewash Resolution is being proposed as an ordinary resolution and requires a simple majority of the votes cast to be cast in favour on a poll in order for it to be passed.

13. Effect of not approving the Whitewash Resolution

Should Shareholders not vote in favour of the Whitewash Resolution set out in the Appendix to this Circular, the Board would not be able to proceed with Step Two of the Transaction and would have to seek alternative sources of capital in the near term. There is no guarantee that the Board would be successful in raising this capital on terms acceptable to Shareholders or at all.

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000 ("FSMA"), or, in the case of Shareholders in a territory outside Ireland and the United Kingdom, from another appropriately authorised independent financial adviser.

14. Action to be taken in respect of the Extraordinary General Meeting

For Existing Shareholders who hold their shares in certificated form, you will find enclosed with this document a Form of Proxy for use by such Shareholders at the Extraordinary General Meeting. Whether or not you wish to attend the Extraordinary General Meeting, you are requested to complete and sign the Form of Proxy and return it to the Company's Registrars, **Computershare, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland** so as to arrive no later than 48 hours before the time appointed for the Extraordinary General Meeting. **The return of the Form of Proxy will not prevent you from attending the Extraordinary General Meeting and voting in person should you wish to do so.**

Alternatively, for those who hold Existing Ordinary Shares in CREST, an Existing Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Computershare. In each case the proxy appointment must be received by no later than 12.00 p.m. on 19 November 2019. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent a Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should such Existing Shareholder wish to do so.

15. Additional Information

Your attention is drawn to Part 3 of this document which contains certain additional information in respect of Petrel. Shareholders are advised to read the whole of this document and not rely solely on the summary information set out in this letter.

16. **Recommendation**

The Independent Directors consider that the Transaction is in the best interest of the Company and its Shareholders as a whole.

The Independent Directors, having been so advised by Beaumont Cornish, consider the Waiver and the entry into the reverse takeover transaction, as defined by the Takeover Rules, to be in the best interests of the Shareholders and the Company as a whole. In providing advice to the Independent Directors, Beaumont Cornish has taken into account the commercial assessments of the Independent Directors.

The Independent Directors unanimously recommend that all Independent Shareholders vote in favour of the Whitewash Resolution to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their beneficial holdings which amount to, in aggregate, 11,415,769 existing ordinary shares (including the Company's Secretary's shares), representing 7.64 per cent. of the Company's issued share capital as at the date of the Circular.

Yours sincerely,

JOHN TEELING

Chairman

PART 2 FINANCIAL INFORMATION

Incorporation of relevant information by reference

The following information is incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Rules and is available free of charge on the Company's website at <http://www.petrelresources.com>.

- (i) the unaudited interim results of the Company for the six-month period ended 30 June 2019;
- (ii) the annual report and accounts of the Company for the year ended 31 December 2018;
- (iii) the annual report and accounts of the Company for the year ended 31 December 2017; and
- (iv) the annual report and accounts of the Company for the year ended 31 December 2016. All reports referenced above can be found at the following website address:
<http://petrelresources.com/financial-reports/>

The Company's annual report and accounts listed above contain the Company's audited consolidated financial statements for the financial years ended 31 December 2018, 31 December 2017 and 31 December 2016, together with the audit report in respect of each year.

A Shareholder may request a hard copy of any information incorporated into this document by reference by contacting Jim Finn between 9.00 a.m. and 5.30 p.m. (Dublin time) Monday to Friday on +353 1 8332833. It is important that you note that unless you make such a request, a hard copy of documents incorporated into this document by reference will not be sent to you.

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the six months ended 30 June 2019		
Unaudited interim results announcement dated 23 September 2019	Interim Results announcement	
For the year ended 31 December 2018		
Independent auditor's report	All included in the Annual Report 2018	Page 22
Consolidated statement of comprehensive income for the year ended 31 December 2018		Page 27
Consolidated balance sheet for the year ended 31 December 2018		Page 28
Consolidated statement of changes in equity for the year ended 31 December 2018		Page 30
Consolidated statement of cash flows for the year ended 31 December 2018		Page 31
Notes to the financial statements		Page 33

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the year ended 31 December 2017	All included in the Annual Report 2017	
Independent auditor's report		Page 17
Consolidated statement of comprehensive income for the year ended 31 December 2017		Page 22
Consolidated balance sheet for the year ended 31 December 2017		Page 23
Consolidated statement of changes in equity for the year ended 31 December 2017		Page 25
Consolidated statement of cash flows for the year ended 31 December 2017		Page 26
Notes to the financial statements		Page 45

For the year ended 31 December 2016	All included in the Annual Report 2016	
Independent auditor's report		Page 16
Consolidated statement of comprehensive income for the year ended 31 December 2016		Page 18
Consolidated balance sheet for the year ended 31 December 2016		Page 19
Consolidated statement of changes in equity for the year ended 31 December 2016		Page 21
Consolidated statement of cash flows for the year ended 31 December 2016		Page 22
Notes to the financial statements		Page 24

Netoil, a limited liability company, was incorporated on 7 August 2019, has not traded to date and has not published any financial information to date. It is currently funded by its existing shareholders.

PART 3

INFORMATION ON NETOIL INC LTD AND ALL OTHER MEMBERS OF THE CONCERT PARTY

The Concert Party is comprised of the following members:

Name of the Concert Party	Address
Mr Roger Edward Tamraz	<p>Dubai World Trade Center Apartments, Building A, Apartment 1401A, Sheikh Zayed Road, P.O. Box 9229, Dubai, United Arab Emirates</p> <p>Mr. Roger Edward Tamraz is a private equity investor specialising in oil & gas, banking, reorganisations and restructurings. His past holdings and directorships of companies in the oil & gas and related sectors include Intra Investment Company, of which Mr Tamraz was founder and director. Intra Investment Company owned Chantiers Navals de la Ciotat (CNC), the second largest shipyard in France. Mr Tamraz established the First Arabian Corporation, having purchased and combined the Italian assets of Amoco (Standard Oil Company of Indiana). Mr Tamraz founded Tamoil (Tamraz Oil) and Oil Capital Limited (OCL) Inc. (which acquired the exploration and development rights and equity ownership positions in Turkmenistan’s Blocks I (offshore) and III (onshore), two of the country’s major oil and gas producing properties. In addition, Mr Tamraz has been involved at a senior level with the following very successful projects in the oil & gas sector: the Suez-Mediterranean (SUMED) Pipeline, Ar-Razi (formerly Japanese Saudi Methanol Company), and the Baku-Tbilisi-Ceyhan (BTC) Pipeline.</p>
Mr Michel Fayad	<p>16, rue d’Alsace, 92300 Levallois-Perret, France</p> <p>Mr. Michel Fayad is a private equity investor. He has experience in business development, project management and project finance. He started his career as Financial Analyst at the MENA Hedge Fund of the Evolvence Group in Dubai (United Arab Emirates). He is founder and director of Boost Incorporated, an integrated international oil company.</p>
Mr Said Mehraik	<p>5, avenue Gaston Chauvin, 93600 Aulnay-sous-Bois, France</p> <p>Mr. Said Mehraik is a private equity investor. He has experience in European oil and gas, hotels, banking and finance groups. He was the former Chief Executive Officer and Chief Financial Officer at Milshare (Financial Holding). He is the President of Tamoil USA Inc.</p>
Netoil Inc Ltd	<p>Boulevard Tzarigradsko Shosse 101, et. 7, Sofia 113, Bulgaria</p> <p>Netoil is a limited liability Bulgarian incorporated company. It was incorporated on 25 July 2019 under registration number 205764057 with a registered office located at Boulevard Tzarigradsko Shosse 101, et. 7, Sofia 113, Bulgaria. The current shareholders of Netoil are Mr Michel Fayad (50%) and Mr Said Mehraik (50%). Mr Roger Edward Tamraz will become a shareholder of this company (he will then hold 34%, Mr. Michel Fayad will then hold 33% and Mr. Said</p>

	<p>Mehraik will then hold 33%). The directors of Netoil are Mr. Michel Fayad, Mr. Said Mehraik, Mr. Nikolay Paskalev, Paskalev. As Netoil is a newly incorporated company it has not traded to date and has not published any financial information. It is currently funded by its existing shareholders.</p>
Mr Marc, Jean-Louis, d'Hombres	<p>25, rue Saint-Sulpice, 75006 Paris, France</p> <p>Marc, Jean-Louis, d'Hombres is a retired banker. He has been an international banker since 1972 when he started with Bankers Trust Co. in New York. He subsequently joined a private French merchant bank, Banque Rivaud and then a French state-owned institution that was head of the Credit Agricole group. Following those assignments he moved to Middle East from where he set up and managed offshore and commercial banks particularly in the Maghreb and sub-Saharan Africa. He has extensive experience of trade finance and is an expert in raising funds and arranging financing for companies and specific projects as well as in managing asset management fund for extremely high net worth client.</p>
Mr George Mgaloblichvili	<p>Rue de la Confédération 8, 1204 Geneva, Switzerland</p> <p>George Mgaloblichvili is the founder of Flying Robots in Switzerland, specialized in the aviation sector.</p>
Mr Antoine Baaklini	<p>5, place du Président Kennedy, 92130 Issy-les-Moulineaux, France</p> <p>Antoine Baaklini is a manager at KAF Real Estate.</p>
Mr Nikolay Paskalev Paskalev	<p>5-ti Kilometr-50, p.k. 20, Burgas, Bulgaria</p> <p>Nikolay Paskalev Paskalev is a Financial and Bank Consultant at Advoconsult Financial and Advisory Services Ltd.</p>
Mrs Dolly Khoury	<p>77, rue des Belles Feuilles, Paris 75116, France</p> <p>Dolly Khoury manages a real estate company, Decca, France.</p>

PART 4

INFORMATION ON PETREL RESOURCES PLC AND ADDITIONAL DISCLOSURES REQUIRED UNDER THE TAKEOVER RULES

For the purposes of this Part 4

"arrangement" means any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature between two or more persons, relating to relevant securities which is or may be an inducement to one or more of such persons to deal or refrain from dealing.

"long position" shall have the meaning as defined in Rule 2.6 of Part A of the Takeover Rules.

"relevant securities" shall have the meaning assigned by Rule 2.1 of Part A of the Takeover Rules, meaning:

- (i) securities of the Company and Netoil which confer voting rights;
- (ii) equity share capital of the Company and Netoil; and/or
- (iii) securities or any other instruments conferring on their holders rights to convert into or subscribe for any new securities of any of the foregoing categories of securities.

References to "an interest in a relevant security" or "interested in relevant securities" means a person who has a long position in a relevant security and a person who has only a short position in a relevant security shall be deemed not to have an interest nor to be interested in that security and "interests in" and "interested in" shall be construed accordingly in relation to relevant securities.

"short position" means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

1. Responsibility

- 1.1 The Directors accept responsibility for the information set out in this document, other than that relating to (i) the recommendation as set out in Part 1 paragraph 16 for which the Independent Directors accepts responsibility as set out in paragraph 1.2 below and (ii) the Concert Party and their immediate families, related trusts and persons connected with them, for which the Concert Party accepts responsibility as set out in paragraph 1.3 below. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Independent Directors accept responsibility for the recommendation as set out in Part 1 paragraph 16. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 Members of the Concert Party accept responsibility for the information set out in this document which pertains to the Concert Party and their immediate families, related trusts and persons connected with it. To the best of the knowledge and belief of the Concert Party (who have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Information on the Company

The name of the Company is Petrel Resources Plc. It was incorporated in Ireland as a public limited company under the Act with registered number 92622. The Company's registered office is located at 162 Clontarf Road, Dublin 3, Ireland.

3. Directors and Secretary

The Directors and Secretary of the Company are:

John Teeling	Chairman
David Horgan	Managing Director
Michel Fayad	Director
Riadh Mahmoud Hameed	Non Executive Director
James Finn	Secretary

4. Principal activity of the Company

The principal activities of the Company are oil and gas exploration in Iraq, Ghana and Ireland.

5. Interests and dealings

5.1 Directors' interests in relevant securities of the Company

As at the Disclosure Date, the interests of the Directors and the Secretary and their respective families (as defined in the AIM Rules) all of which are beneficial unless otherwise stated and of connected persons within the meaning of the Act, in relevant securities of the Company, the existence of which is known to, or could, with reasonable diligence, be ascertained by the Directors, together with the percentages which such interests represent were as follows:

	<i>Number of Existing Ordinary Shares held</i>	<i>Percentage (%) of current issued share capital held</i>
John Teeling	5,415,000	3.63
David Horgan	4,215,384	2.82
Michel Fayad	14,934,615	10
Riadh Mahmoud Hameed	-	-
James Finn	1,785,385	1.20
Total	26,350,384	17.65

Save as disclosed above as at the Disclosure Date:

- (a) none of the Directors nor any person acting in concert with the Company had an interest in any relevant securities of the Company; and
- (b) none of the Directors or any person acting in concert with the Company had any short position in relation to relevant securities of the Company (whether conditional or absolute and whether in the money or otherwise and including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery).

5.2 Directors Dealings in the relevant securities of the Company

There have been no dealings (including borrowing or lending) for value in relevant securities of the Company by the Directors (or their immediate families, related trusts or persons connected with them) during the period of 12 months preceding the Disclosure Date (**Disclosure Period**).

5.3 Concert Party' interests in relevant securities of the Company

The interests in relevant securities of the Company held by each of the members of the Concert Party as at the Disclosure Date together with their interest in relevant securities of the Company following the issue of the New Ordinary Shares, are as follows:

Concert Party Member	No. of Ordinary Shares	% of Existing Ordinary Shares	No. of Ordinary Shares following issue of New Ordinary Shares	% of Enlarged Share Capital
Mr Roger Edward Tamraz	14,934,615	10.00%	14,934,615	7.00%
Mr Michel Fayad	14,934,615	10.00%	14,934,615	7.00%
Mr Said Mehraik	7,467,308	5.0%	7,467,308	3.50%
Mr Marc, Jean-Louis, d'Hombres	1,493,462	1.00%	1,493,462	0.70%
Mr George Mgaloblichvili	1,493,462	1.00%	1,493,462	0.70%
Mr Antoine Baaklini	1,493,462	1.00%	1,493,462	0.70%
Mr Nikolay Paskalev Paskalev	1,493,462	1.00%	1,493,462	0.70%
Mrs Dolly Khoury	1,478,527	0.99%	1,478,527	0.69%
Netoil	0	0.00%	64,035,976	30.01%
TOTAL				

Total	44,788,913	29.99%	108,824,889	51.00%
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6. Additional disclosures required by the Takeover Rules

- 6.1 The Company has not redeemed or purchased any relevant securities of the Company during the Disclosure Period.
- 6.2 As at the Disclosure Date the Company was not interested in, nor had any short position in relation to, any relevant securities of Netoil, nor had it dealt in any such relevant securities during the Disclosure Period.
- 6.3 As at the Disclosure Date none of the Directors of the Company (including any members of such director's respective immediate families, related trusts or connected persons) were interested in, nor had any short position in relation to any relevant securities of Netoil, nor had any such person dealt in such securities during the Disclosure Period.
- 6.4 As at the Disclosure Date, Beaumont Cornish held no interests or short positions in the relevant securities of the Company.
- 6.5 As at the Disclosure Date, no partner or member of the professional staff of McEvoy Corporate Law (legal advisers to Petrel) actively engaged in relation to the matters described in this Circular or customarily engaged in the affairs of Petrel or engaged in those affairs within the period of two years prior to the publication of this Circular was interested in or held short positions in the relevant securities in the Company.
- 6.6 As at the Disclosure Date there were no arrangements which existed between the Company or any person acting in concert with the Company and any other person.

- 6.7 Save as disclosed in paragraph 5.3 above as at the Disclosure Date no member of the Concert Party nor any person acting in concert with any member of the Concert Party had any interest in, or right to subscribe for, or any short position, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in relation to, any relevant security of the Company, nor had any of them dealt in any relevant securities of the Company during the disclosure period.
- 6.8 Save for the Lock In Deed and the Relationship Agreement as more particularly detailed in Part 1 paragraphs 9 and 10 there are no relationships (personal, financial and commercial), arrangements or understandings between: (a) the members of the Concert Party and the Independent Directors (or their close relatives or related trusts); (b) as far as the Independent Directors are aware, the Concert Party and the Shareholders (or any person who is, or is presumed to be, acting in concert with any such Shareholder; or (c) the Concert Party and Beaumont Cornish or any person who is, or is presumed to be, acting in concert with Beaumont Cornish.

7. Major Holdings in relevant securities in Petrel Resources Plc

As at the Disclosure Date and, so far as the Directors are aware, the only persons who are directly or indirectly interested in 3 per cent. or more of the Existing Ordinary Shares were as follows:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage (%) of current issued share capital</i>
Roger Tamraz	14,934,615	10.00%
Michel Fayad	14,934,615	10.00%
Citibank Nominees	9,071,613	6.07%
Said Mehraik	7,467,308	5.00%
John James Teeling	5,415,000	3.63%
Interactive Investor Services Nominees	5,328,797	3.57%
HSDL Nominees Limited	4,648,908	3.11%
Total	61,800,856	41.38%

- i) save as disclosed above, the Company is not aware of and has not received any notification from any person confirming that such person is interested directly or indirectly, in 3 per cent. or more of the nominal share capital of the Company, nor is it aware of any person who directly or indirectly, jointly or separately, exercises or could exercise control over the Company; and
- ii) none of the Company's major shareholders, as listed above, have different voting rights attaching to shares held by them in the Company.

8. Directors' service agreements, letters of appointment, remuneration and fees

- 8.1 There are no service contracts between any of the Directors or any proposed directors and the Company or any of its subsidiaries or associated companies with more than 12 months to run.
- 8.2 The services of the Directors are provided to the Company under the following agreements:
- 8.2.1 John Teeling (Chairman). The contractual fee payable to Mr Teeling is €30,000 per annum. Mr Teeling is also reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

- 8.2.2 David Horgan (Managing Director). The contractual fee payable to Mr Horgan is €30,000 per annum. Mr Horgan is also reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.
- 8.2.3 James Finn (Secretary). The contractual fee payable to Mr Finn is €30,000 per annum. Mr Finn is also reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.
- 8.3 Other than as disclosed in paragraph 8.2 above:
- 8.3.1 no Director is entitled to commission or profit-sharing arrangements;
- 8.3.2 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
- 8.3.3 save as disclosed above no 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 termination of their appointment.

9. Material changes

There has been no material change in the financial or trading position of the Company subsequent to the publication of the audited annual financial statements of the Company for the year ended 31 December 2018, which were published on 19 June 2019.

10. Middle market quotations

The following table sets out the middle market quotations for an Existing Ordinary Share, as derived from the Daily Official List of the London Stock Exchange on the Disclosure Date and for the first Business Day of each of the six months immediately preceding the date of this document:

Date	Closing mid-market price per Existing Ordinary Share (pence)
29/10/2019	7.62
01/10/2019	8.38
02/09/2019	5.60
01/08/2019	3.00
01/07/2019	1.05
03/06/2019	1.30
01/05/2019	1.25

11. Material contracts

Save as set out below neither the Company nor any of its subsidiaries have entered into any material contracts in the two years preceding the date of this Circular.

Relationship Agreement

On the implementation of Step Two of the Transaction, Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil will together be interested in 101,372,514 Ordinary Shares representing 47.51 per cent. of the Enlarged Share Capital. Pursuant to an agreement dated 30 October 2019 made between (1) the Company, (2) Mr Roger Tamraz, (3) Mr Michel Fayad (4) Mr Said Mehraik, (5) Netoil Inc Ltd and (6) Beaumont Cornish Limited (**Relationship Agreement**) the parties, agreed procedures to manage the relationship between them to ensure, *inter alia*, that:

- (a) the Company will at all times be capable of carrying on the Business independently of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil; and

- (b) all transactions and arrangements between the Company and Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and/or Netoil will be at arm's length and on normal commercial terms.

The provisions of the Relationship Agreement will remain in force for so long as: -

1. the Placing Shares and New Ordinary Shares are admitted to trading on AIM; and
2. each of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil individually or together are interested in voting rights representing 30 per cent or more of the rights to vote at a general meeting of the Company.

Lock-in Deed

On the implementation of Step Two of the Transaction, Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil will be the owner of 47.51 per cent. of the Enlarged Share Capital. Pursuant to an agreement dated 30 October 2019 made between (1) the Company, (2) Mr Roger Tamraz, (3) Mr Michel Fayad, (4) Mr Said Mehraik, (5) Netoil and (6) Beaumont Cornish, the Lock-in Parties, agreed to enter into certain restrictions with regard to the disposal of the Ordinary Shares in the Company held by them (including Placing Shares acquired in the July Placing and the New Ordinary Shares) to ensure, *inter alia*, that each of Mr Roger Tamraz, Mr Michel Fayad, Mr Said Mehraik and Netoil will not effect any disposal of the Ordinary Shares held by them during the lock-in period being the earlier of 12 months from the date of Admission or the date of completion of a Substantial Transaction.

12 General

- 12.1 No inducement fee is payable in respect of the Transaction.
- 12.2 Beaumont Cornish 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 in the form and context in which they appear.
- 12.3 Netoil 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 in the form and context in which they appear.
- 12.4 No agreement, arrangement or understanding (including any compensation arrangement) having any connection with or dependence upon the Whitewash Resolution exists between any member of the Concert Party or any person acting in concert with them, and any of the Directors or recent directors of the Company or any of the holders or recent holders of, or any persons interested or recently interested in, Relevant Securities of the Company.
- 12.5 Save for the Relationship Agreement, and the Lock In Deed there are no other relationships, arrangements or understandings between the Concert Party and Petrel or any person who is, or presumed to be, acting in concert with the Concert Party.
- 12.6 No agreement, arrangement or understanding exists whereby the New Ordinary Shares will be transferred to any other party.
- 12.7 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. The Directors have confirmed that there will be no change in the Company's corporate strategy or in its dividend policy following completion of the Transaction.

13 Documents available on display

Copies of the following documents will be made available on display at the offices of the Company, and at the offices of McEvoy Corporate Law, 22 Fitzwilliam Place, Dublin 2, Ireland during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) and at the following website address www.petrelresources.com from the date of posting of this document up to the date of the Extraordinary 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 Memorandum and Articles of Association of Netoil Inc Ltd;
- (c) the audited consolidated accounts of the Company for the years ended 31 December 2018, 31 December 2017 and 31 December 2016;
- (d) the unaudited interim results of the Company for the six months ended 30 June 2019;
- (e) the Relationship Agreement;
- (f) the Lock-In Agreement;
- (g) the letter from the Takeover Panel to McEvoy Corporate Law dated 22 August 2019 granting to the Concert Party, subject to specified conditions, a waiver of their potential obligations under Rule 9 to make a general offer for the balance of Ordinary Shares it does not own following the issue of the New Ordinary Shares;
- (h) the consent letter from Beaumont Cornish referred to in paragraph 12.2 above; and
- (i) a copy of this document together with the Notice.

NOTICE OF EXTRAORDINARY GENERAL MEETING

PETREL RESOURCES PUBLIC LIMITED COMPANY (the "Company")

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of the Company will be held at the Gresham Hotel, 23 O'Connell Street Upper, North City Dublin, D01 C3W7 on 21 November 2019 at 12.00 p.m. for the transaction of the following business:

Ordinary Resolution

1. "THAT, subject to and conditional on passing of this Resolution, having regard to the provisions of the Takeover Rules and to the conditions attached by the Takeover Panel to the grant of the waiver under Rule 9 of the Takeover Rules (as described in the Circular accompanying the notice of this meeting), the increase in the percentage of issued share capital of the Company held by the Concert Party to 51 per cent of the Enlarged Issued Share Capital as a result of the allotment of 64,035,976 new ordinary shares in the capital of the Company be and is hereby approved on the basis that such increase will not result in the Concert Party or any member thereof becoming obliged to make an offer to the Company's shareholders pursuant to Rule 9 of the Takeover Rules."

DATED THIS 30 October 2019

BY ORDER OF THE BOARD

JAMES FINN
COMPANY SECRETARY

REGISTERED OFFICE: 162 CLONTARF ROAD, DUBLIN 3, IRELAND

NOTES

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy as an alternative to attend, speak and vote instead of him/her. A proxy need not be a member of the Company. The deposit of an instrument of proxy will not preclude a member from attending and voting in person at the Extraordinary General Meeting or at any adjournment thereof.
2. A Form of Proxy is enclosed with this notice. To be effective, the Form of Proxy duly completed and signed together with any authority under which it is executed or a copy of such authority certified notarially or by a solicitor practicing in the Republic of Ireland must be deposited at the offices of the Company's registrars, Computershare, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland not less than 48 hours before the time appointed for the Extraordinary General Meeting or in the case of an adjournment as at 48 hours before the time of the adjourned meeting. Any alteration to the Form of Proxy should be initialed by the person who signs it.
3. In the case of a corporation, the Form of Proxy must be either executed under seal or signed on its behalf by an officer or attorney duly authorised.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company.
5. The Company, pursuant to Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations 1996 specifies that only those Shareholders registered in the register of members of the Company as at 6:00 p.m. (Dublin time) on 19 November 2019 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.

6. Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the meeting or any adjournment(s) by using the CREST voting service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST voting service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by no later than 12 p.m. (Dublin time) on 19 November 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
8. CREST members may appoint a proxy or proxies electronically through CREST via Computershare.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.