

THIS CIRCULAR AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”), as amended, if you are resident in the United Kingdom or, if not, from an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred, or you sell or otherwise transfer, your entire holding of Ordinary Shares, please forward this document, together with the accompanying Form of Proxy (but not any personalised Form of Proxy), at once to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

The Existing Ordinary Shares are currently admitted to trading on AIM and application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the New Ordinary Shares to the Official List. The New Ordinary Shares will not be dealt on any other recognised investment exchange and no other such application will be made.

It is anticipated that Admission will become effective, and that dealings in the New Ordinary Shares will commence on AIM, at 8.00 a.m. on 4 April 2019. The New Ordinary Shares will, on their admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company by reference to a record date falling after Admission.

This Circular has been prepared for the purposes of complying with English law and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the United Kingdom.



VICTORIA OIL & GAS PLC

(Incorporated and registered in England and Wales with company number 05139892)

Proposed Placing of 59,357,488 New Ordinary Shares

Subscription of 45,000,000 New Ordinary Shares

Notice of General Meeting

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 11 to 16 and which contains the recommendation of the Board to vote in favour of the Resolution to be proposed at the General Meeting, referred to below.

Strand Hanson Limited (“**Strand Hanson**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated and financial adviser to the Company and for no-one else in connection with the matters referred to in this document, and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Strand Hanson nor for providing advice to any other person in relation to the matters referred to in this document. Strand Hanson is not making any representation or warranty, express or implied, as to the contents of this document, including the accuracy, verification or completeness of any information contained in this document or for any other statement made or purported to be made by the Company, or on the Company’s behalf, or by them or on their behalf, and nothing in this document shall be relied upon as a promise or representation in this respect, whether as to the past or future. The responsibilities of Strand Hanson as the Company’s nominated adviser under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person. Strand Hanson

has not approved the contents of, or any part of, this document and no liability whatsoever is accepted by Strand Hanson for the accuracy of any information or opinions contained in this document or for the omission of any information from this document and, accordingly, Strand Hanson disclaims to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise which it might otherwise have to any person, other than the Company, in respect of this document or any such statement.

FirstEnergy Capital LLP ("**GMP FirstEnergy**") and Shore Capital Stockbrokers Limited ("**Shore Capital**"), which are authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting as joint bookrunners and brokers exclusively for the Company and no-one else in connection with the matters referred to in this document, and will not be responsible to anyone other than the Company for providing the protections afforded to their clients, for the contents of this document or for providing any advice in relation to this document. Apart from the responsibilities and liabilities, if any, which may be imposed by the FCA or the FSMA or the regulatory regime established thereunder, neither GMP FirstEnergy nor Shore Capital, or any person affiliated with them, accepts any responsibility whatsoever and neither makes any representation or warranty, express or implied, in respect of the contents of this document including its accuracy or completeness or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company or any matter described in this document and nothing in this document is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Neither GMP FirstEnergy nor Shore Capital has approved the contents of, or any part of, this document and no liability whatsoever is accepted by GMP FirstEnergy or Shore Capital for the accuracy of any information or opinions contained in this document or for the omission of any information from this document and, accordingly, GMP FirstEnergy and Shore Capital disclaim to the fullest extent permitted by law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have to any person, other than the Company, in respect of this document or any such statement.

Notice of the General Meeting of the Company to be held at the offices of Kerman & Co LLP, 200 Strand, London WC2R 1DJ on 3 April 2019 is set out at the end of this document. A Form of Proxy for use at the meeting is enclosed with this document and should be returned as soon as possible and in any event so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY by not later than 11.00 a.m. on 1 April 2019. Completion and posting of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the General Meeting.

None of the New Ordinary Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of the Fundraising or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Until 40 days after Admission, an offer or sale of the New Ordinary Shares within the United States by any dealer (whether or not participating in the Fundraising) may violate the registration requirements of the United States Securities Act of 1933, as amended ("**Securities Act**") if such offer or sale is made otherwise than pursuant to an available exemption from registration under the Securities Act.

The distribution of this document and/or any accompanying documents in or into jurisdictions other than the UK may be restricted by law and therefore any person into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Subject to certain exceptions, this document is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa or any jurisdiction where to do so might constitute a violation of local securities laws or regulations. This document does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy New Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation. Accordingly, the New Ordinary Shares may not, subject to certain exceptions, be offered or sold, directly or indirectly, in, or into, the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa or in any other country, territory or possession where to do so may contravene local securities laws or regulations. The New Ordinary Shares have not been, and will not be, registered under the Securities Act or under the securities legislation of any state of the United States or Australia, Canada, Japan, New Zealand or the Republic of South Africa and they may not be offered or sold, directly or indirectly, within the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa or to or for the account or benefit of any national, citizen or resident of the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any US person (within the definition of Regulation S made under the Securities Act).

No person has been authorised to make any representations on behalf of the Company concerning the Fundraising which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been authorised. No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Group’s intentions, beliefs or current expectations concerning, among other things, the Group’s results of operations, financial position, liquidity, prospects, growth, strategies and expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation or government, changes in business strategy, political and economic uncertainty and other factors.

Any forward-looking statements in this document reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations and growth strategy. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the FCA, the London Stock Exchange or applicable law, the Company, Strand Hanson, Shore Capital and GMP FirstEnergy and their respective directors, officers, employees, agents, managers, members and partners expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Group’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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 Group since the date of this document or that the information in it is correct as of any subsequent time.

A copy of this document will be available from the Company’s website at www.victoriaoilandgas.com.

This document is dated 11 March 2019.

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DIRECTORS AND ADVISERS

Directors	Kevin Foo Ahmet Dik Andrew Diamond John Bryant Roger Kennedy	<i>(Executive Chairman)</i> <i>(Chief Executive Officer)</i> <i>(Finance Director)</i> <i>(Independent Non-Executive Director)</i> <i>(Senior Independent Director)</i>
Company Secretary	Leena Nagrecha	
Registered Office	200 Strand London WC2R 1DJ	
Nominated & Financial Adviser	Strand Hanson Limited 26 Mount Row London W1K 3SQ	
Joint Bookrunners and Brokers	FirstEnergy Capital LLP 85 London Wall London EC2M 7AD	
	Shore Capital Stockbrokers Limited Bond Street House 14 Clifford Street London W1S 4JU	
Solicitors to the Company	Kerman & Co LLP 200 Strand London WC2R 1DJ	
	DLA Piper UK LLP 160 Aldersgate Street London EC1A 4HT	
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE	
Financial PR	Camarco 107 Cheapside London EC2V 6DN	

FUNDRAISING STATISTICS

Number of Existing Ordinary Shares in issue at the date of this document	150,446,457
Issue Price	13 pence
Number of Placing Shares	59,357,488
Number of Subscription Shares	45,000,000
Number of Fee Shares	270,000
Total number of New Ordinary Shares to be issued pursuant to the Fundraising	104,627,488
Enlarged Share Capital following the Fundraising	255,073,945
New Ordinary Shares as a percentage of the Enlarged Share Capital	41.02 per cent.
Gross proceeds of the Fundraising	£13.57 million
Estimated net proceeds of the Fundraising	£12.83 million
Market capitalisation of the Company on Admission at the Issue Price	£33.16 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Fundraising	6 March 2019
Date of this document	11 March 2019
Posting of this document and Form of Proxy	no later than 13 March 2019
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 1 April 2019
General Meeting	11.00 a.m. on 3 April 2019
Admission of the New Ordinary Shares to trading on AIM and commencement of dealings	8.00 a.m. on 4 April 2019
CREST accounts to be credited for the New Ordinary Shares to be held in uncertificated form	4 April 2019
Despatch of definitive share certificates for the New Ordinary Shares to be held in certificated form	by 24 April 2019

Notes:

- (1) All references to time in this document are to London (UK) time unless otherwise stated.
- (2) The dates and times given in this document are based on the Company's current expectations and may be subject to change. If any of the above times or dates should change at the discretion of the Company, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.

DEFINITIONS

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

Admission	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of 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
Board or Directors	the board of directors of the Company or any duly authorised committee thereof
Business Day or Business Days	any day on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
CA 2006	the Companies Act 2006, as amended
Circular or this document	this document dated 11 March 2019
Closing Price	the closing middle market price of an Existing Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
Company	Victoria Oil & Gas Plc, a company incorporated in England and Wales with company number 05139892
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
CREST Manual	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time
CREST member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
CREST participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST Proxy Instruction	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications
CREST Regulations	the Uncertificated Securities Regulations 2001, as amended
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	a CREST member admitted to CREST as a sponsored member
ENEO	Eneo Cameroon S.A.
Enlarged Share Capital	the Ordinary Shares in issue immediately following Admission
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST

Existing Ordinary Shares	the 150,446,457 Ordinary Shares in issue at the date of this document
FCA	the Financial Conduct Authority in the UK or its successor from time to time
Fee Shares	the 270,000 new Ordinary Shares to be issued to Shore Capital as part of its fees earned in connection with the Fundraising
Form of Proxy	the form of proxy accompanying this document relating to the General Meeting
FSMA	Financial Services and Markets Act 2000, as amended
Fundraising	together, the Placing and the Subscription
General Meeting	the general meeting of the Company, notice of which is set out at the end of this document, and including any adjournment(s) thereof
GMP FirstEnergy	FirstEnergy Capital LLP, a joint broker to the Company
Group	the Company and its subsidiaries and subsidiary undertakings from time to time
Issue Price	13 pence per Placing Share and Subscription Share
Joint Brokers	GMP FirstEnergy and Shore Capital
Lock-In and Orderly Marketing Agreement	the conditional agreement entered into on 6 March 2019 and made between the Company, the Subscriber and Strand Hanson relating to the Subscriber not disposing of Ordinary Shares following Admission, further details of which are set out in the letter from the Chairman
London Stock Exchange	London Stock Exchange plc
New Ordinary Shares	the Placing Shares, the Subscription Shares and the Fee Shares
Notice of General Meeting	the notice of General Meeting as set out at the end of this document
Official List	the Official List of the United Kingdom Listing Authority
Ordinary Shares	ordinary shares of 0.5 pence each in the capital of the Company
Placees	those persons procured by the Joint Brokers, as agent of the Company, who subscribe for Placing Shares pursuant to the Placing
Placing	the conditional placing of the Placing Shares
Placing Agreement	the conditional agreement entered into on 6 March 2019 and made between the Company, GMP FirstEnergy and Shore Capital relating to the Placing
Placing Shares	the 59,357,488 new Ordinary Shares to be issued to Placees pursuant to the Placing
Registrars	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE
Regulatory Information Service	has the meaning given in the AIM Rules

Relationship Agreement	the conditional relationship agreement entered into on 6 March 2019 and made between the Company, Strand Hanson and the Subscriber to govern the relationship between the Company and the Subscriber following Admission
Resolution	the resolution to be proposed at the General Meeting which is set out in full in the Notice of General Meeting
Securities Act	the US Securities Act of 1933, as amended
Shareholders	holders of Ordinary Shares
Shore Capital	Shore Capital Stockbrokers Limited, joint broker to the Company
Strand Hanson	Strand Hanson Limited, nominated and financial adviser to the Company
Subscriber	YF Finance, the subscriber of the Subscription Shares pursuant to the Subscription Agreement
Subscription	the conditional subscription of the Subscription Shares by the Subscriber
Subscription Agreement	the conditional agreement dated 6 March 2019 (and subsequent amendment dated 7 March 2019) and made between the Company and the Subscriber relating to the Subscription
Subscription Shares	the 45,000,000 new Ordinary Shares to be issued to the Subscriber pursuant to the Subscription
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its territories and possessions, any state of the United States and the District of Columbia and all other areas subject to its jurisdiction
YF Finance	YF Finance Limited, a company incorporated and registered in the British Virgin Islands with number 1659334 and which has its registered office at Market Square, 3rd Floor, Yamraj Building, P.O.Box 3175, Road Town, Tortola, British Virgin Islands
£	pounds sterling, the legal currency of the United Kingdom
US\$	United States dollar, the legal currency of the United States

LETTER FROM THE CHAIRMAN OF VICTORIA OIL & GAS PLC



(Incorporated and registered in England and Wales with company number 05139892)

Directors:

Kevin Foo	<i>(Executive Chairman)</i>	200 Strand
Ahmet Dik	<i>(Chief Executive Officer)</i>	London
Andrew Diamond	<i>(Finance Director)</i>	WC2R 1DJ
John Bryant	<i>(Independent Non-Executive Director)</i>	
Roger Kennedy	<i>(Senior Independent Director)</i>	

11 March 2019

Dear Shareholder

Proposed Placing of 59,357,488 New Ordinary Shares Subscription of 45,000,000 New Ordinary Shares, Notice of General Meeting

1. Introduction

On 6 March 2019, the Company announced that it was intending to raise up to £12.6 million (before expenses) by way of a subscription for new Ordinary Shares by the Subscriber, YF Finance, to raise £6.5 million and a placing of new Ordinary Shares to raise up to a further £6.1 million.

The Company, via its Joint Brokers, GMP FirstEnergy and Shore Capital, immediately undertook an accelerated bookbuild process to raise the placing element. The bookbuild exercise was successful and, to satisfy demand from investors, but without causing undue dilution to existing Shareholders, the Company, with YF Finance's approval, increased the size of the placing and the overall fundraising exercise while YF Finance agreed to reduce slightly the size of its subscription.

As a result, on 7 March 2019 the Company announced that it had conditionally raised £13.57 million (gross) (approximately US\$17.77 million) by way of the proposed issue of, in aggregate, 104,357,488 New Ordinary Shares at a price of 13 pence per New Ordinary Share.

The Fundraising comprises:

- (a) the conditional placement of 59,357,488 Placing Shares with existing and new institutional investors at the Issue Price to raise £7.72 million; and
- (b) the conditional subscription of 45,000,000 Subscription Shares by the Subscriber to raise £5.85 million.

The Issue Price represents a discount of approximately 13.6 per cent. to the Closing Price on 5 March 2019, being the latest practicable Business Day prior to the date of the announcement of the Fundraising.

The Placing and the Subscription are each conditional upon, *inter alia*, the passing of the Resolution by Shareholders at the General Meeting to be held at 11.00 a.m. on 3 April 2019 for the purposes of authorising the Directors to allot the New Ordinary Shares and to dis-apply statutory pre-emption rights in relation thereto.

Although the Company has pre-existing Shareholder authorities approved at the annual general meeting of the Company held on 28 June 2018, these are not sufficient to implement the Fundraising and issue the

New Ordinary Shares. Accordingly, the Company is seeking new Shareholder approval to grant the Directors authority to allot equity securities and to dis-apply statutory pre-emption rights in respect of an allotment of equity securities for cash in connection with the Fundraising. Such approval will be in addition to the Shareholder authorities granted in the last annual general meeting.

The purpose of this letter is to set out the background to, and the reasons for, the Fundraising. It explains why the Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole. It also highlights that the Directors recommend that Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings of Ordinary Shares.

Shareholders are reminded that the Fundraising is conditional, *inter alia*, on the passing of the Resolution to be proposed at the General Meeting. Shareholders should be aware that if the Resolution is not approved at the General Meeting, neither the Placing nor the Subscription will proceed.

Your attention is drawn to the Notice of General Meeting contained at the end of this document and paragraphs 6 and 7 of this letter which explain the purpose of the General Meeting and the action to be taken by you in relation to the General Meeting.

2. Background to and reasons for the Fundraising

The Fundraising serves to demonstrate the strong financial support and interest in the Company's activities from the Subscriber and other new and existing institutional investors and recognises both the achievements to date of the Company's business model as well as the changes required to ensure that the business can maximise its full growth potential and value creation for all Shareholders.

The period from December 2017 to December 2018 was particularly challenging for the Company. Following completion of an expensive drilling programme in December 2017, the Company experienced the non-renewal on 1 January 2018 of a key gas sales agreement with ENEO, its major grid-power customer. Consequently, with significantly reduced revenues in 2018, the Company immediately took steps to reduce its operating costs and restructure certain bank debt obligations.

On 22 December 2018, the Company announced an agreement, subject to documentation, with ENEO to resume gas supply for a period of three years to the Logbaba 30MW Power Station on a take or pay basis with a minimum load of 80 per cent., thereby securing significant revenues. The Company welcomes the resumption of its gas supply to ENEO, which will add significant revenues to the Company from January 2019; however, the Company requires an injection of new equity to satisfy its working capital requirements and planned capital expenditure on its projects.

Reflecting the support from the Subscriber and new and existing Shareholders, the Company will continue to cut costs in its London and Cameroon operations. This includes a reduction of 41 per cent. in the cash cost of salaries of directors, comprising a 33 per cent. reduction in the CEO's salary and a 50 per cent. reduction of the Executive Chairman's salary. To further align the interests of the Directors with Shareholders, it is proposed, following Admission and subject to Board approval, to grant options to Directors and senior management over Ordinary Shares equivalent to 6 per cent. of the Enlarged Share Capital with an exercise price of 14p and exercise period of 5 years.

The changes to the Board will rejuvenate and energise the management team, paving the way for the Company to achieve its targets with a view to providing positive returns to Shareholders. The Company will use the net proceeds of the Fundraising to continue to invest in its Logbaba and Matanda projects in Cameroon with a focus on connecting new customers; to execute the cost reduction plans; to re-pay certain debt obligations and outstanding creditors; and to improve the Group's general working capital position (see "Use of Proceeds" section below).

By way of a financial update, the Company notes the following unaudited matters:

- Net revenue for 2018 was US\$10.6 million (2017: US\$23.5 million), reflecting the loss of revenue from the Company's grid-power business.
- Cash and cash equivalents as at 31 December 2018 were US\$3.6 million (2017: US\$11.5 million).

- Trade receivables were US\$2.7 million (2017: US\$6.2 million) and trade payables were US\$5.5 million (2017: US\$8.8 million).
- Total borrowings were US\$20.9 million (2017: US\$24.5 million).
- Net debt was US\$17.3 million (2017: US\$13.1 million).

Use of Proceeds

The net proceeds of the Fundraising will enable the Company to:

- maintain and expand its existing operations in Cameroon, with a focus on securing new customers and increasing revenue;
- complete Well LA 108 at Logbaba and fund the ongoing development of the Matanda project, a key focus for the Company;
- continue to implement its cost reduction programme in both the London and Cameroon operations;
- restructure and reduce the Group's existing bank and trade indebtedness; and
- fund its working capital requirements.

3. Details of the Subscription

Pursuant to the Subscription Agreement, the Company has conditionally raised £5.85 million by way of the Subscription.

The Subscription Shares are being solely subscribed for directly by the Subscriber, an existing significant institutional Shareholder, pursuant to the Subscription Agreement. The Subscription Shares are not being made available to the public. The Directors consider that the potential long-term value creation benefit to Shareholders arising from the application of the net Subscription proceeds outweighs the dilutive effects of the Subscription.

The Subscriber, YF Finance, is wholly owned by Mr Askar Alshinbayev.

As at 8 March 2019 (being the last practicable date prior to the publication of this document), the Subscriber holds or is interested in 11,085,239 Ordinary Shares, representing approximately 7.37 per cent. of the Existing Ordinary Shares. Upon Admission, the Subscriber will hold approximately 22.0 per cent. of the Enlarged Share Capital.

The Subscription Agreement

The Subscription Agreement contains a number of conditions ("**Conditions**"), including, *inter alia*, that:

- (a) Kevin Foo retires as "Executive Chairman" and Director of the Company with effect from no later than Admission;
- (b) Roger Kennedy is appointed by the Company as "Executive Chairman" with effect from no later than Admission; and
- (c) two new independent non-executive Directors are appointed to the Board with effect from no later than Admission.

The Company has commenced a search process for the required two new independent non-executive directors and expects all the conditions to the Subscription Agreement to be satisfied prior to Admission.

The Subscription Agreement will terminate if the Conditions are not satisfied by 4 June 2019, being the 90th day following the date of the Subscription Agreement (or such later date as may be agreed between the parties).

Following Admission, the Subscriber shall, for such time as it holds (i) 10 per cent. or more of the Company's issued share capital, have the right to appoint a non-executive director to the Board, or (ii) 20 per cent. or more of the Company's issued share capital, have the right to appoint two non-executive directors to the Board; provided, however, that Subscriber's right to appoint such second non-executive director shall

be subject to an additional independent non-executive director of the Company being appointed at the same time.

In the event that the Resolution is not passed at the General Meeting, then the Subscriber shall have the option (but no obligation), within five Business Days after the date of the General Meeting, to elect by written notice to the Company to subscribe for the maximum number of Ordinary Shares at the Issue Price as would be permitted within any existing shareholder authorities held by the Company.

For a period of two years following the date of Admission, if the Company decides to issue new Ordinary Shares (other than under the Company's share option and incentive schemes) it shall first give notice to the Subscriber of the proposed terms of such issue (the **Pre-emption Notice**) and the Subscriber may, at any time within 5 Business Days from receipt of the Pre-emption Notice, notify the Company, in writing, that it wishes to participate in such share issue by subscribing for such amount of shares as is required so that the Subscriber's interest in the Company is not diluted by the proposed share issue (the **Equal Subscription**). If the Subscriber elects to participate in the proposed share issue, the share issue may only proceed on the basis that the Subscriber is able to subscribe for the Equal Subscription.

The Relationship Agreement and the Lock-In and Orderly Marketing Agreement

The Subscriber has entered into the Lock-In and Orderly Marketing Agreement and the Relationship Agreement, each with the Company and Strand Hanson.

The Relationship Agreement is conditional upon the Subscriber holding 25 per cent. or more of the Ordinary Shares or voting rights in the Company including any Ordinary Shares or voting rights of any party acting in concert with the Subscriber (**Controlling Interest**).

Pursuant to the Relationship Agreement, the parties have agreed to manage the relationship between the Subscriber and the Company to ensure that, among other things: (i) the Group will at all times be capable of carrying on its business independently of the Subscriber and its affiliates for the benefit of shareholders as a whole; (ii) all future transactions and arrangements between the Company and the Subscriber and its affiliates will be at arm's length and on normal commercial terms; (iii) the Subscriber will not use its Voting Rights (as defined therein) to prevent the Company from complying with applicable laws and regulations; and (iv) to ensure that the Company shall be managed in accordance with the QCA Corporate Governance Code 2018 published by the Quoted Companies Alliance to the extent practicable for the size, stage of development and operations of the Group at the relevant time or any other corporate governance regime adopted by the Board from time to time.

More specifically, the Subscriber has agreed to exercise its Voting Rights in compliance with the AIM Rules and in a way to ensure that the independence of the Board is maintained. Furthermore, the Subscriber will agree not to exercise its Voting Rights in respect of any resolution to approve a transaction with the Subscriber or any affiliate of the Subscriber.

The obligations of the Subscriber under the Relationship Agreement shall automatically be suspended upon the Subscriber (or any of its affiliates) ceasing to hold a Controlling Interest in the Company for a period of 56 days, with such suspension to be lifted if the Subscriber regains a Controlling Interest.

Pursuant to the Lock-In and Orderly Marketing Agreement, the Subscriber undertakes not to dispose of the Subscription Shares (with the exception of 2,800,000 Ordinary Shares excluded from such lock-up), held by it following Admission at any time prior to the six month anniversary of the Admission Date (the Lock-up Period), other than in certain limited circumstances, including by way of acceptance of a recommended takeover offer for the entire issued share capital of the Company.

Furthermore, for a further period of six months from the end of the Lock-up Period, the Subscriber undertakes not to dispose of its Subscription Shares otherwise than through the Joint Brokers with a view to maintaining an orderly market in the Ordinary Shares.

4. Details of the Placing

The Company has conditionally raised £7.72 million by way of the Placing.

The Placing Shares will represent approximately 23.3 per cent. of the Enlarged Share Capital.

Placing Agreement

The Company and each of the Joint Brokers entered into the Placing Agreement, pursuant to which the Company appointed the Joint Brokers as the Company's agents to use their reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing is not being underwritten by GMP FirstEnergy and/or Shore Capital. The Company has agreed to pay the Joint Brokers certain commissions and fees in connection with the Placing. Certain of these fees will be satisfied by the issue by the Company to Shore Capital of the Fee Shares.

The Placing is conditional, amongst other things, on:

- the passing of the Resolution to be proposed at the General Meeting;
- the Subscription Agreement becoming unconditional in all respects (save for any condition relating to the Placing Agreement or Admission) and such agreement not having been terminated; and
- Admission of the New Ordinary Shares occurring on or before 8.00 a.m. on the 4 April 2019 (or such later time and/or date as the Company and the Joint Brokers may agree, being not later than 8.00 a.m. on 18 April 2019).

The Placing Agreement contains certain customary warranties given by the Company and is terminable by the Joint Brokers in certain circumstances prior to Admission, including for *force majeure* or in the event of a material adverse change to the business of the Company or the Group. The Company has also agreed to indemnify the Joint Brokers against all losses, costs, charges and expenses which they may suffer or incur as a result of, occasioned by or attributable to the carrying out of their duties under the Placing Agreement in respect of the Placing Shares.

5. Admission, settlement and CREST

Application will be made to the London Stock Exchange for Admission. It is expected that, subject to the passing of the Resolution at the General Meeting, Admission will become effective at 8.00 a.m. on 4 April 2019 (or such later date as the Company, the Joint Brokers and the Subscriber (to the extent applicable) may agree, being not later than 8.00 a.m. on 18 April 2019) and that dealings in the New Ordinary Shares will also commence at that time.

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic rather than paper form. The Existing Ordinary Shares are already admitted to CREST and therefore the New Ordinary Shares will also be eligible for settlement in CREST. CREST is a voluntary system and subscribers of the Placing Shares and Subscription Shares who wish to retain certificates will be able to do so upon request. The New Ordinary Shares due to uncertificated holders are expected to be delivered in CREST on the Admission Date.

6. General Meeting

The Directors require the authority of Shareholders in order to allot the New Ordinary Shares for cash free of statutory pre-emption rights.

You will therefore find at the end of this document the formal Notice of General Meeting to consider and, if thought appropriate, pass the following resolution:

Special Resolution – Authority to allot the New Ordinary Shares free of pre-emption rights

The Directors are seeking the approval of Shareholders to allot the New Ordinary Shares as required by Section 551. In addition, the Directors are seeking authority to allot shares for cash on a non-pre-emptive basis. Section 561 of the CA 2006 requires that, on an allotment of "equity securities" for cash, such equity securities must first be offered to existing Shareholders in proportion to the number of Ordinary Shares they

each hold at that time. The New Ordinary Shares are “equity securities” allotted for cash and, accordingly, cannot be offered on a non-pre-emptive basis unless Shareholders have first waived their pre-emption rights. The Resolution, if passed, also provides such a waiver. The Fundraising will only proceed if the Resolution is passed.

The Resolution will be proposed as a special resolution and will therefore require not less than 75 per cent. of the votes cast, whether in person or by proxy, to be in favour. This authority will expire on the date falling six months from the passing of the Resolution. The authorities granted in the Resolution will be in addition to those authorities previously granted to the Directors at the Company’s annual general meeting held on 28 June 2018.

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

You can vote in respect of your shareholding by attending in person at the General Meeting or by appointing one or more proxies to attend the meeting and vote on your behalf.

You will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting in person, it is important that you complete and sign the enclosed Form of Proxy in accordance with the instructions printed thereon and return it to the Registrars, using the reply-paid envelope provided to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, as soon as possible, to arrive by 11.00 a.m. on 1 April 2019 at the latest. Completing and returning the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish to do so.

8. Recommendation

The Directors believe that the Fundraising will promote the success of the Company for the benefit of Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting, as each Director (being a Shareholder) intends to do in respect of their own beneficial holdings, amounting to (in aggregate) 3,531,529 Ordinary Shares and thereby representing 2.35 per cent. of the Existing Ordinary Shares.

Yours faithfully

Kevin Foo

Executive Chairman

Victoria Oil & Gas Plc

NOTICE OF GENERAL MEETING

VICTORIA OIL & GAS PLC

(Incorporated and registered in England and Wales with company number 05139892)

NOTICE IS HEREBY GIVEN that a General Meeting of Victoria Oil & Gas Plc (the “**Company**”) will be held at 11.00 a.m. at the offices of Kerman & Co LLP, 200 Strand, London WC2R 1DJ on 3 April 2019 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

SPECIAL RESOLUTION

THAT, in addition to the authorities granted at the Annual General Meeting of the Company held on 28 June 2018, the directors of the Company (the “**Directors**”) be and they are generally and unconditionally authorised as follows:

- (a) for the purposes of section 551 of the Companies Act 2006 (the “**Act**”), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into, shares in the Company up to an aggregate nominal amount of £523,137.44* in connection with the placing and subscription of the Company’s ordinary shares of 0.5 pence each (“**Ordinary Shares**”) pursuant to the placing and subscription being carried out by the Company on the terms and conditions set out in the Circular of the Company dated 11 March 2019 (such shares being the “**New Ordinary Shares**”); and
- (b) for the purposes of section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) wholly for cash as if section 561 of the Act did not apply to the allotment, provided that this power is limited to the allotment of the New Ordinary Shares,

and this power, unless previously revoked by resolution of the Company, shall expire on the date falling 6 months from the passing of this resolution, and that the Company may, at any time before the expiry of the power conferred by this resolution, make offers or enter into agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot shares or grant rights to subscribe for, or convert any security into, shares in pursuance of any such offer or agreement as if this power had not expired.

Dated: 11 March 2019

By order of the Board

Leena Nagrecha
Company Secretary

* Includes the Fee Shares

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. If a member appoints more than one proxy in relation to the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member.
2. To appoint as a proxy a person other than the chairman of the meeting, a member must insert the proxy's full name in the box on the proxy form. If a member signs and returns a proxy form with no name inserted in the box, the chairman of the meeting will be deemed to be the member's proxy. Where a member appoints as a proxy someone other than the chairman, the member is responsible for ensuring that the proxy attends the meeting and is aware of the member's voting intentions. If a member wishes a proxy to make any comments on the member's behalf, the member will need to appoint someone other than the chairman and give them the relevant instructions directly.
3. A member which is a corporation is entitled to appoint one or more corporate representatives to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member. If a member which is a corporation appoints more than one corporate representative in relation to the meeting, each representative must exercise the rights attached to a different share or shares held by that member. In the case of a member which is a corporation, the proxy form must be executed under the corporation's common seal or signed on its behalf by a duly authorised officer of the corporation or an attorney for the corporation.
4. A Form of Proxy is enclosed. To be valid, the Form of Proxy (and any power of attorney or other authority (if any) under which it is signed) must be duly completed and signed and deposited at the office of the Company's registrars, using the reply-paid envelope provided to Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE not less than 48 hours (excluding non-working days) before the time for holding the meeting (or any adjourned meeting). Completion of a Form of Proxy does not preclude a member from attending and voting in person at the meeting if (s)he so wishes.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered in the Company's register of members at close of business on 1 April 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 in the Company's register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting. If the meeting is adjourned, only those members entered in the Company's register of members as at close of business on the day two days (excluding non-working days) before the date of the adjourned meeting shall be entitled to attend and vote at the adjourned meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 3 April 2019 and any adjournment(s) thereof 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 sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's registrars, Computershare Investor Services PLC (CREST Participant ID: 3RA50), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice or in any related documents to communicate with the Company for any purposes other than those expressly stated.
11. Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your reference number (as attributed to you by the Company or its registrars). The Company determines the purposes for which, and the manner in which, your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.
12. As at 8 March 2019 (being the last practicable date prior to the publication of this notice), the Company's issued share capital consisted of 150,446,457 ordinary shares of 0.5 pence each, carrying one vote per share. Therefore, the total voting rights in the Company as at 8 March 2019 (being the latest practicable date prior to the posting of this document) were 150,446,457.

