

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the information on the resolutions to be voted on at the General Meeting of Baron Oil Plc (“Baron” or the “Company”) to be held on 12 April 2021. If you are in any doubt about the action you should take, you are recommended immediately to seek advice from your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) who specialises in advising on the acquisition of shares and other securities, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

The Company and each of the Directors of the Company, whose names appear on page 9 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

If you have sold or otherwise transferred all of your ordinary shares of 0.025p each in the capital of the Company (“**Ordinary Shares**”), please immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, this document should not be distributed, forwarded or transmitted in or into the United States of America, Canada, Australia, New Zealand, Russia, the Republic of South Africa or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares you should retain this document, and immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected. **This document should be read in conjunction with the Notice of General Meeting as set out at the end of this document. The whole text of this document should be read.**

This document does not constitute an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), Ordinary Shares or an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), the New Ordinary Shares. This document does not contain an offer of transferable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the Financial Conduct Authority or the London Stock Exchange or any other regulatory authority.

BARON OIL Plc

(incorporated and registered in England and Wales with registered number 05098776)

Proposed placing and subscription of 6,000,000,000 new Ordinary Shares at a price of 0.05 pence per share and Notice of General Meeting

This document should be read in conjunction with the accompanying Form of Proxy and the Notice of General Meeting set out at the end of this document. You are recommended to read the whole of this document, but your attention is drawn, in particular, to the letter from the Chairman which is set out on pages 9 to 14 of this document and which recommends you to vote in favour of all of the Resolutions to be proposed at the General Meeting.

At the time of publication of this document, COVID-19 restrictions remain in place. Therefore, Shareholders and their proxies will not be permitted to attend the meeting in person. As such, members are strongly encouraged to appoint the Chairman of the General Meeting to act as their proxy as any other named person will not be permitted to attend the meeting. Voting at the General Meeting will take place on a poll.

A Form of Proxy for holders of Ordinary Shares for use at the General Meeting accompanies this document. To be valid, the enclosed Form of Proxy should be completed and returned as soon as possible and, in any event, so as to reach the Company’s Registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 10.00 a.m. on 8 April 2021, being 48 hours before the General Meeting. Alternatively, a proxy may be returned by means of CREST, details of which are given in the Notes to the Notice of General Meeting.

Application will be made for the New Ordinary Shares to be admitted to trading on the AIM market of the London Stock Exchange (“**AIM**”). The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares, including as regards the right to receive all dividends or other distributions declared, made or paid after Admission. No application has been made or is currently intended to be made for the New Ordinary Shares to be admitted to trading or dealt on any other exchange.

Allenby Capital Limited ("**Allenby Capital**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and joint broker to the Company in connection with the Placing and the proposed admission of the New Ordinary Shares to trading on AIM and the proposals described in this document. It will not regard any other person as its client and will not be responsible to anyone else for providing the protections afforded to the clients of Allenby Capital or for providing advice in relation to such proposals. Allenby Capital has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Allenby Capital for the accuracy of any information or opinions contained in this document or for the omission of any information.

Turner Pope Investment (TPI) Limited ("**TPI**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as joint broker to the Company in connection with the Placing and the proposed admission of the New Ordinary Shares to trading on AIM and the proposals described in this document. It will not regard any other person as its client and will not be responsible to anyone else for providing the protections afforded to the clients of TPI or for providing advice in relation to such proposals. TPI has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by TPI for the accuracy of any information or opinions contained in this document or for the omission of any information.

The New Ordinary Shares referred to in this document have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the requirements of the Securities Act. There will be no public offer of the New Ordinary Shares in the United States, the United Kingdom or elsewhere. The New Ordinary Shares are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of this offering. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the New Ordinary Shares in the United States or to a US Person may constitute a violation of US law or regulation.

The distribution of this document and the offering or sale of the New Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or Allenby Capital or TPI that would permit an offering of the New Ordinary Shares or possession or distribution of this document or any other offering or publicity material relating to the New Ordinary Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this document comes are required by the Company and Allenby Capital and TPI to inform themselves about and to observe any such restrictions.

This document is directed only at members of the Company falling within the meaning of Article 43(2)(a) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (all such persons together being referred to as "**Relevant Persons**"). This document must not be acted on or relied on by persons who are not Relevant Persons. This document does not constitute an offer of securities and accordingly is not a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules.

FORWARD LOOKING STATEMENTS

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless it is required to do so by applicable law or the AIM Rules.

Copies of this document are available free of charge on the Company's website: www.baronoilplc.com.

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DEFINITIONS

“Act”	the Companies Act 2006 (as amended);
“Admission”	together (or separately) the First Admission and/or the Second Admission, as the context requires;
“AIM Rules”	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange;
“Allenby Capital”	Allenby Capital Limited, the Company’s nominated adviser and joint broker pursuant to the AIM Rules;
“Amended SHA”	the conditional Amended and Restated Shareholders Agreement with SundaGas, which outlines the terms of the Earn In and governs the future operation of SundaGas TLS;
“Articles”	the existing articles of association of the Company as at the date of this Circular;
“Bank Guarantee”	The US\$1 million bank guarantee in relation to the Chuditch PSC;
“BCF”	billion cubic feet of gas;
“Business Day”	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, UK;
“Chuditch PSC” or “PSC”	TL-SO-19-16 Production Sharing Contract, offshore Timor-Leste;
“Circular”	this document;
“Company” or “Baron”	Baron Oil Plc, incorporated and registered in England and Wales under registered number 05098776;
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK and Ireland in accordance with the CREST Regulations;
“CREST member”	a person who has been admitted by Euroclear UK and Ireland as a system-member (as defined in the CREST Regulations);
“Directors” or “Board”	the directors of the Company;
“Director Participations”	the subscription by Andrew Yeo, Jon Ford and John Wakefield for a total of 97,600,000 New Ordinary Shares at the Issue Price in the Fundraising;
“Earn In”	the proposed process whereby Baron will increase its indirect interest in the Chuditch PSC from 25% to 63.75%, further details of which can be found in section 2 of this document;
“Enlarged Share Capital”	the issued ordinary share capital of the Company immediately following Second Admission;
“Euroclear UK & Ireland”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the existing Ordinary Shares as at the date of this Circular;
“FCA”	the Financial Conduct Authority of the United Kingdom;

“FCP”	the firm commitment period ending in November 2022, in relation to the PSC work programme;
“First Admission”	the admission of the First Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“First Fundraising”	the placing of the First Placing Shares at the Issue Price, in accordance with the terms of the Placing ;
“First Fundraising Shares”	the 1,525,000,000 new Ordinary Shares which have been conditionally placed with investors pursuant to the First Placing;
“Form of Proxy”	the form of proxy for use by the Shareholders in connection with the General Meeting;
“Fundraising”	the Placing together with the Subscription;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting” or “GM”	the general meeting of Shareholders to be held at the offices of Armstrong Teasdale at 200 Strand, London, WC2R 1DJ at 10.00 a.m. on 12 April 2021;
“ISIN”	International Securities Identification Number;
“Initial Period”	the 3-year initial licence phase of the Chuditch PSC;
“Issue Price”	0.05 penny per New Ordinary Share;
“London Stock Exchange”	London Stock Exchange plc;
“Mean”	reflects a mid-case volume estimate of resource derived using probabilistic methodology. This is the mean of the probability distribution for the resource estimates and may be skewed by high resource numbers with relatively low probabilities;
“Member Account ID”	the identification code or number attached to any member account in CREST;
“mmboe”	million barrels of oil equivalent. Volume derived by dividing the estimate of the volume of natural gas in billion cubic feet by six in order to convert it to an equivalent in million barrels of oil and, where relevant, adding this to an estimate of the volume of oil in millions of barrels;
“New Ordinary Shares”	a total of 6,000,000,000 new Ordinary Shares to be issued pursuant to the Placing and the Subscription at the Issue Price;
“Notice” or “Notice of General Meeting”	the notice of General Meeting set out at the end of this Circular;
“Ordinary Shares”	the ordinary shares of 0.025p each in the capital of the Company;
“Overseas Shareholder”	a Shareholder who is resident in, or who is a citizen of, or who has a registered address in a jurisdiction outside the United Kingdom;

“Placing”	together (or separately) the proposed First Placing and/or the Second Placing as described in this Circular;
“Placing Agreement”	the conditional agreement dated 23 March 2021 between the Company, Allenby Capital and TPI relating to the Placing;
“Prospective Resources”	quantities of petroleum that are estimated to exist originally in naturally occurring reservoirs, as of a given date. Crude oil in-place, natural gas in-place, and natural bitumen in-place are defined in the same manner;
“Placing Shares”	the aggregate 5,195,600,000 new Ordinary Shares which have been conditionally placed with investors pursuant to the Placing;
“Reprocessing Agreement”	an agreement proposed to be entered into with Spectrum Geo Australia Pty Ltd., for the licensing and reprocessing of the 3D seismic data that is required under the Chuditch PSC work programme;
“Resolutions”	the resolutions numbered 1 to 3 set out in the Notice of General Meeting to be proposed at the General Meeting;
“Second Admission”	the admission of the Second Placing Shares and the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“Second Fundraising”	the placing of the Second Placing Shares at the Issue Price in accordance with the terms of the Placing and the issue of the Subscription Shares at the Issue Price ;
“Second Fundraising Shares”	the 4,475,000,000 new Ordinary Shares which have been conditionally placed with investors pursuant to the Second Placing and subscribed for via the Subscription;
“Shareholder(s)”	holder(s) of Existing Ordinary Shares;
“SPE PRMS”	the Society of Petroleum Engineers’ (“SPE”) Petroleum Resources Management System (“PRMS”) is a system developed for consistent and reliable definition, classification, and estimation of hydrocarbon resources prepared by the Oil and Gas Reserves Committee of SPE and approved by the SPE Board in June 2018 following input from six sponsoring societies: the World Petroleum Council, the American Association of Petroleum Geologists, the Society of Petroleum Evaluation Engineers, the Society of Exploration Geophysicists, the European Association of Geoscientists and Engineers, and the Society of Petrophysicists and Well Log Analysts;
“sterling”, “pounds sterling”, “£”, “pence” or “p”	the lawful currency of the United Kingdom;
“SundaGas”	SundaGas Resources Pte. Ltd;
“SundaGas Banda”	SundaGas TLS’ wholly owned subsidiary, SundaGas Banda Unipessoal Lda, which is incorporated in Timor-Leste, which operates and holds a 75% interest in the Chuditch PSC and is the operator of the PSC;

“SundaGas TLS”	SundaGas (Timor-Leste Sahul) Pte. Ltd, the parent company of SundaGas Banda;
“Subscription”	the proposed subscription of the Subscription Shares as described in this document;
“Subscription Shares”	the aggregate 804,400,000 new Ordinary Shares which have been conditionally subscribed for pursuant to the Subscription;
“Timor-Leste”	the Democratic Republic of Timor-Leste;
“TPI”	Turner Pope Investments (TPI) Limited, the Company’s joint broker;
“US\$” or “US dollar”	the lawful currency of the United States of America;
“US Person”	a US person as defined in Regulation S promulgated under the US Securities Act; and
“US Securities Act”	the United States Securities Act of 1933 (as amended).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2021
Circular published and sent to Shareholders	25 March
Admission of the First Fundraising Shares to trading on AIM	26 March
CREST member accounts expected to be credited for the First Fundraising Shares in uncertificated form (where applicable)	26 March
Latest time and date for receipt of completed Forms of Proxy	10.00 a.m. on 8 April
General Meeting	12 April
Admission of the Second Fundraising Shares to trading on AIM	14 April
CREST member accounts expected to be credited for the Second Fundraising Shares in uncertificated form (where applicable)	14 April
Dispatch of definitive share certificates for New Ordinary Shares in certificated form (where applicable)	Within 10 working days of the relevant Admission

Each of the dates in the above timetable is subject to change. References to time in this Circular are to London time except when otherwise stated. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a Regulatory Information Service.

FUNDRAISING STATISTICS

Issue Price	0.05 penny
Number of Existing Ordinary Shares	4,426,409,576
Total number of New Ordinary Shares	6,000,000,000
Number of First Fundraising Shares	1,525,000,000
Number of Second Fundraising Shares	4,475,000,000
Enlarged Share Capital following the Fundraising	10,426,409,576
Percentage of the Enlarged Share Capital comprised by the New Ordinary Shares	57.5%
Gross proceeds of the Fundraising to the Company	£3 million
ISIN	GB00B01QGH57
SEDOL	B01QGH5
LEI	213800MBSOS9UZ5SW712

Baron Oil Plc

(Incorporated and registered in England and Wales with registration number 05098776)

Directors:

John Wakefield (Non-Executive Chairman)
Andrew Yeo (Chief Executive)
Jon Ford (Technical Director)

Registered Office:

Finsgate
5 – 7 Cranwood Street
London
EC1V 9EE

To the Shareholders and for information only to the holders of options and warrants

Dear Shareholder

Proposed Fundraising to raise a total of £3 million Notice of General Meeting

On 24 March 2021, Baron announced that it had entered into a conditional agreement whereby upon completion Baron will increase its shareholding in SundaGas TLS from 33.33% to 85%, and thereby increase its indirect interest in the Chuditch PSC, offshore Timor-Leste from 25% to 63.75%. Upon completion, the Earn In will result in a 255% increase in Baron's net share of the currently estimated aggregate Mean prospective resources for the PSC to 2,248 BCF, equivalent to approximately 375 MMBOE. As noted in the Company's announcement of 24 March 2021, the above estimates are not fully compliant with the 2018 SPE PRMS Prospective Resources standard.

As part of the Earn In, it is intended that SundaGas Banda will enter into the Reprocessing Agreement. The Board believes that the Reprocessing Agreement will enable the PSC work programme to be driven forward by unlocking access to the data and allowing the Company to input directly into the reprocessing project.

In order to fund, *inter alia*, the Earn In and the Chuditch PSC work programme until the end of the FCP in November 2022, Baron also announces that it has conditionally raised £3.0 million (before expenses) by way of the Placing of and the Subscription for a total of 6,000,000,000 New Ordinary Shares at the Issue Price, to be undertaken in two tranches.

The issue and allotment of the Second Fundraising Shares is conditional, *inter alia*, upon the Company obtaining approval of Shareholders of the Resolutions to be proposed at the General Meeting, to provide sufficient authority to enable allotment of the Second Fundraising Shares and disapply statutory pre-emption rights which would otherwise apply to the allotment of the Second Fundraising Shares.

The purpose of this document is to provide you with details of the Fundraising, the reasons for the Fundraising, an explanation of the Resolutions to be proposed at the General Meeting and the action you should take in order to register your vote.

1. The Chuditch PSC

SundaGas Banda holds a 75% interest in the Chuditch PSC, with the remaining 25% interest in the PSC held by a subsidiary of the Timor-Leste state oil company Timor Gap, E.P., whose interest is carried by SundaGas Banda. The PSC contains the Chuditch-1 gas discovery.

Gas in Timor-Leste is a strategic resource, and the Board is aware that gas exploitation activity has been accelerating both regionally and locally, including plans for existing infrastructure to be extended. The Board considers the Earn In to be timely in order to gain prospective exposure to the South-East Asian liquid natural gas (LNG) market, as LNG Import gas prices in South-East Asia are currently above pre-COVID levels and the medium to long term demand for LNG is forecast by several commentators, including Royal Dutch Shell, to exceed supply.

On 8 January 2021, Baron announced a significant upgrade in the gross estimated Mean Prospective Resources to 3,527 BCF. The prospective resource base within the Chuditch PSC licence area consists of the Chuditch-1 discovery, three adjacent prospects (Chuditch West, Chuditch South West and Chuditch North), and a previously unrecognised, significantly sized lead (Chuditch North East). There is technical evidence indicating that the mapped limits of the prospects and lead may coincide with the gas water contact interpreted in the Chuditch-1 discovery, which leads the Board to believe that there is the potential for a single, large accumulation within the Chuditch PSC licence area. The seismic reprocessing work programme is required to confirm the structural configuration of the Chuditch discovery and adjacent prospective areas prior to further drilling. It is noted that the above estimates are not fully compliant with the 2018 SPE PRMS Prospective Resources standard.

The significant gas accumulations in Timor-Leste waters, Bayu-Undan and Greater Sunrise, are both known to contain condensate in addition to gas. The Directors believe that there is the potential for condensate to be within the Chuditch PSC licence area, which has yet to be evaluated.

On 26 February 2021, Baron announced that SundaGas Banda had been granted a 12-month extension to Contract Year 1 of the Chuditch PSC. Accordingly, the expiry date of Year 1 of the Initial Period is 8 November 2021. The extension is expected to allow SundaGas Banda to complete the PSC commitment technical work programme and assess the viability of drilling of an appraisal well and potentially further exploration wells in a timely manner.

The work programme for the current Initial Period of the Chuditch PSC includes an obligation to reprocess 800 sq. kilometres of 3D and 2,000 kilometres of 2D seismic data in the first two-year period. Subject to satisfactory results from the 3D seismic reprocessing, the subsequent commitment is for a minimum of one well to be drilled in the third and final year of the Initial Period of the PSC, effectively a 'drill or drop' decision to be made by 19 December 2022.

2. The Earn-In

Baron has entered into a conditional Amended SHA with SundaGas, which outlines the terms of the Earn In and governs the future operation of SundaGas TLS. Upon completion of the Amended SHA, Baron will increase its shareholding in SundaGas TLS from 33.33% to 85% and thus its indirect interest in the Chuditch PSC from 25% to 63.75%. The Amended SHA is conditional upon SundaGas and Baron authorising SundaGas Banda to enter into the Reprocessing Agreement. Timor-Leste's oil and gas regulator, Autoridade Nacional do Petróleo e Minerais (ANPM) has already confirmed its approval to the Reprocessing Agreement and the proposed conditional increase in Baron's interest in the Chuditch PSC.

In order to effect the Earn In, via the Amended SHA, Baron has agreed to make a payment of approximately US\$1.2 million towards the Chuditch PSC work programme. In addition, Baron has agreed to fund all future costs associated with the Chuditch PSC until the end of the FCP in November 2022, estimated to be approximately US\$3.5 million including the aforementioned payment of approximately US\$1.2 million.

Following the Earn In, Baron and SundaGas will have indirect 63.75% and 11.25% interests in the Chuditch PSC respectively. The existing US\$1 million Bank Guarantee in relation to the Chuditch PSC will remain in place. Baron contributed US\$333,333 to the Bank Guarantee in 2020, with the remainder being provided by SundaGas. There will be no change in the Operator of the Chuditch PSC, which will remain SundaGas Banda.

For the year ended 31 March 2020, SundaGas TLS's unaudited total comprehensive loss was US\$393,206 and its unaudited total assets as at 31 March 2020 were US\$1,604,171.

The Board views the Earn In as a low-cost means to secure a majority interest in a project that has a sufficient level of prospective resource to be of interest to major regional gas players and other potential funding partners. The Earn In represents the first step in the Board's new strategy, whereby the Company intends to acquire significant equity interests in oil and gas projects which present opportunities for high potential impact exploration and appraisal activity at low entry costs into established petroleum provinces.

3. Chuditch PSC project strategy and anticipated milestones

The Board expects that the 3D seismic reprocessing work under the Reprocessing Agreement will deliver data 7 to 12 months from commencement. The Board intends that seismic data interpretation, geological and other studies will occur in parallel during this period, and further expects that the results of the studies may have the potential to reclassify the resources in the Chuditch-1 discovery from Prospective to Contingent, as defined by the SPE PRMS.

The Board believes that the following events represent key potential value inflection points for the Chuditch PSC project:

- (i) the final results of seismic reprocessing anticipated in the first quarter of 2022;
- (ii) the decision to enter into a drilling phase anticipated in the fourth quarter of 2022; and
- (iii) the potential drilling of high impact appraisal and exploration wells anticipated in 2023.

4. Baron's other assets

Peru: Block XXI, Onshore Licence – Baron 100% interest

COVID restrictions remain in place in Peru, which continue to prevent activity in relation to progressing the El Barco-3X drilling project. Block XXI remains in *Force Majeure* until the Company is able to conclude workshops and reach agreement regarding access to the site with the local community, which cannot occur until COVID restrictions are eased and free movement is allowed. Baron intends to make a decision on the future drilling strategy for the El Barco-3X project later in 2021, following the easing of the COVID restrictions. The Company is seeking a three-year licence extension option in relation to Block XXI.

UK: Inner Moray Firth, Offshore Licence P2478 – Baron 15% interest

Baron and its partners in Offshore Licence P2478 intend to reprocess existing 3D and 2D seismic data over 2021 and 2022, which is the outstanding obligation in relation to the licence before a “drill or drop” decision by July 2023.

5. Use of the Fundraising's proceeds and planned activity in 2021

As at 28 February 2021, Baron had net cash of approximately £1 million. The Board believes that an approximately US\$3.5 million budget is required over the next two years in order to complete the outstanding Chuditch PSC firm work programme and arrive at a drilling decision. The majority of the net proceeds of the Fundraising will therefore be applied towards the Chuditch PSC project.

The Board currently anticipates that approximately 65% of Baron's 2021 expenditure will be applied to the Chuditch PSC project, 5% to other assets, and 30% to Baron's general and administrative costs.

6. Details of the Fundraising

The Fundraising comprises the Placing of 5,195,600,000 New Ordinary Shares and the Subscription of 804,400,000 New Ordinary Shares. Of this, £762,500 has been raised using the authority granted to the Board at the annual general meeting held on 29 June 2020, through the proposed issue of 1,525,000,000 First Fundraising Shares at the Issue Price on a non-pre-emptive basis. A further £2,237,500 has been raised through the proposed issue of 4,475,000,000 Second Fundraising Shares at the Issue Price, which is conditional, *inter alia*, on obtaining approval from Shareholders of the Resolutions at the General Meeting, to provide sufficient authority to enable allotment of the Second Fundraising Shares and disapply statutory pre-emption rights which would otherwise apply to the allotment of the Second Fundraising Shares.

The First Fundraising is not conditional on the Second Fundraising. Therefore, should the Resolutions at the General Meeting not be passed, then the Second Fundraising will not proceed. In this instance, the Directors believe that the Company will have sufficient funds to complete the seismic reprocessing component of the PSC's work programme (so enabling the Company to complete the Earn In), following which the Directors may seek for the Company to raise additional funds, if appropriate. Even if the Second Fundraising does not proceed, the First Fundraising will still complete following First Admission.

Neither the completion of the First Fundraising nor the Second Fundraising is conditional on the completion of the Earn In.

Allenby Capital and TPI have each entered into the Placing Agreement with the Company under which Allenby Capital and TPI have, on the terms and subject to the conditions set out therein (including Admission), undertaken to use their reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing Agreement contains certain warranties and indemnities from the Company in favour of Allenby Capital and TPI. The Placing is not being underwritten by either Allenby Capital or TPI any other person.

7. Director participation in the Fundraising

Andrew Yeo, Jon Ford and John Wakefield have subscribed for a total of 97,600,000 New Ordinary Shares at the Issue Price in the Fundraising through the Director Participations conditional, amongst other matters, on the passing of the Resolutions at the General Meeting. The Director Participations form part of the Second Fundraising Shares. Details of the Director Participations are outlined in the table below.

Director	Position	New Ordinary Shares being subscribed	Shareholding following Second Admission	Percentage of enlarged share capital following Second Admission
Andrew Yeo	Chief Executive	62,600,000	168,850,000	1.61%
Jon Ford	Technical Director	15,000,000	22,500,000	0.22%
John Wakefield	Non-Executive Chairman	20,000,000	20,000,000	0.19%

8. Admission and Total Voting Rights

Application has been made for the 1,525,000,000 First Fundraising Shares to be admitted to trading on AIM and the date on which First Admission is expected to become effective is on or around 26 March 2021.

Upon First Admission, the Company's issued ordinary share capital will consist of 5,951,409,576 Ordinary Shares with one voting right each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 5,951,409,576. With effect from First Admission, this figure may be used by Shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Application will also be made to the London Stock Exchange for the 4,475,000,000 Second Fundraising Shares to be admitted to trading on AIM and, conditional, *inter alia*, on the passing of the Resolutions by Shareholders at the General Meeting. The date on which Second Admission is expected to become effective is on or around 14 April 2021.

Upon Second Admission, the Company's issued ordinary share capital will consist of 10,426,409,576 Ordinary Shares with one voting right each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company upon Second Admission will be 10,426,409,576. With effect from Second Admission, this figure may be used by Shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

9. General Meeting

A notice convening the General Meeting to be held at the offices of Armstrong Teasdale at 200 Strand, London, WC2R 1DJ at 10.00 a.m. on 12 April 2021 is set out at the end of this document.

The following Resolutions are to be proposed at the General Meeting:

Resolution 1 – Authority to allot (Ordinary Resolution)

This is an ordinary resolution granting general authority to the directors to allot new Ordinary Shares up to an aggregate nominal amount of £3 million which includes the issue of the Second Fundraising Shares and a general authority to allot shares equivalent to 73.17 per cent. of the Enlarged Share Capital. The authority will expire at the conclusion of the next annual general meeting of the Company held in 2021.

Resolution 2 – Disapplication of Pre-emption rights (Special Resolution)

This is a special resolution authorising the Directors to issue equity securities up to an aggregate nominal amount of £1,118,750 for cash comprising the Second Fundraising Shares on a non pre-emptive basis pursuant to the authority conferred by Resolution 1 above.

Resolution 3 – Disapplication of Pre-emption rights

This is a special resolution authorising the Directors to issue equity securities up to an aggregate nominal amount of £1,500,000 for cash on a non pre-emptive basis pursuant to the balance of the authority conferred by Resolution 1 above. This will provide flexibility for the Board to allot shares for cash equivalent to up to 57.55 per cent. of the Enlarged Share Capital, without recourse to shareholders from time to time as deemed appropriate. The authority will expire at the conclusion of the next annual general meeting of the Company held in 2021.

10. Important notice re COVID-19

At the time of publication of this document, the UK remains subject to a number of government restrictions to prevent the spread of COVID-19, including a ban on large gatherings. Accordingly, Baron intends to hold the General Meeting with the minimum number of shareholders in attendance to form a quorum (each of whom is expected to be an officer of the Company) under the Company's articles of association. Shareholders and others will not be permitted to attend the General Meeting in person but can be represented by the Chairman of the meeting acting as their proxy. The business at the General Meeting will be confined to the formal business only, and it will not be broadcast. If any shareholder has a question they would like to pose to the Board, this should be submitted, ahead of the General Meeting, to the Chairman via email at info@baronoilplc.com. Where appropriate, such questions and answers will be aggregated and later published on the Baron website at www.baronoilplc.com.

Given the evolving nature of the COVID-19 situation, the Company will notify shareholders of any changes to the arrangements to the General Meeting as early as is possible before the date of the General Meeting. Such updates will be included on our website and announced via a Regulatory News Service.

11. Action to be taken by Shareholders

In accordance with recent Government legislation and related restrictions in response to COVID-19, and to minimise public health risks, Shareholders and others will not be permitted to attend the General Meeting in person. We strongly recommend that all shareholders complete and return their proxy instruction appointing the Chairman of the meeting as their proxy. This will ensure that your vote is counted even if attendance at the meeting is restricted or you are unable to attend in person.

You are requested to complete the enclosed Form of Proxy in accordance with the instructions printed thereon. To be valid, completed forms of proxy must be returned by post or hand to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to arrive as soon as possible, and in any event not later than 10.00 a.m. on 8 April 2021, being 48 hours before the time appointed for the holding of the General Meeting or any adjournment thereof.

Alternatively, a proxy may be returned by means of CREST, details of which are given below.

In order for the Second Fundraising to proceed, Shareholders will need to approve Resolutions 1 and 2 set out in the Notice of General Meeting. If such resolutions to be proposed at the General Meeting are not approved by Shareholders, the Second Fundraising Shares will not be able to be allotted and significantly less funds will be raised from the Fundraising. **Accordingly, it is important that Shareholders vote in favour of the applicable Resolutions, in order that the Second Fundraising can proceed.**

12. Directors' Recommendation

The Board of Baron considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole and therefore the Directors unanimously recommend that Shareholders vote in favour of the Resolutions as they intend to do in respect of their own interests in the Company of, in aggregate, 113,750,000 Ordinary Shares (representing approximately 2.6 per cent. per cent. of the Existing Ordinary Shares).

Yours faithfully,

John Wakefield

Non-Executive Chairman

Baron Oil Plc

(incorporated and registered in England and Wales with registered number 05098776)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the General Meeting of Baron Oil Plc (the “**Company**”) will be held at 200 Strand London WC2R 1DJ on 12 April 2021 at 10.00 a.m. for the purposes of considering and, if thought fit, approving the following Resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolutions 2 and 3 (inclusive) as special resolutions:

Terms used on the notice shall have the same meanings as defined in the circular to shareholders of the Company dated 25 March 2021 unless the context requires otherwise.

Ordinary Resolution

1. **THAT**, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (“**Act**”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (“**Rights**”) up to an aggregate nominal amount of £3 million provided that this authority shall expire on the conclusion of the next general meeting held by the Company following the passing of this resolution save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights to subscribe for or to convert any security into shares in the Company in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

2. **THAT**, subject to the passing of Resolution 1 set out above, the Directors be empowered in accordance with section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of that Act) pursuant to the general authority conferred by Resolution 1, or by way of a sale of treasury shares, for cash as if section 561 of that Act did not apply to any such allotment or sale, provided that this power be limited to up to an aggregate nominal amount of £1,118,750 in connection with the issue of the Second Fundraising Shares.
3. **THAT**, subject to the passing of Resolution 1 set out above, the Directors be empowered pursuant to section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of that Act) pursuant to the general authority conferred by Resolution 1, or by way of a sale of treasury shares, for cash as if section 561 of that Act did not apply to any such allotment or sale, provided that this power shall be limited to allotment of equity securities up to an aggregate nominal amount of £1,500,000 and such power shall expire on upon the expiry of the authority conferred by Resolution 1, save that the Directors shall be entitled to make offers or agreement before the expiry of such power which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

Registered Office
Finsgate
5 – 7 Cranwood Street
London
EC1V 9EE

25 March 2021

By Order of the Board

Mr Geoffrey Kenneth Barnes
Company Secretary

Notes to the Notice of General Meeting

1. Only those persons entered in the Register of Members of the Company (the "Register") not later than 6.00 p.m. on 8 April 2021; or if this meeting is adjourned, 48 hours before the time of the adjournment thereof, shall be entitled to attend or vote at the General Meeting in respect of the number of ordinary shares in the capital of the Company registered in their names at that time.
2. Due to current COVID 19 restrictions in place, Shareholders are strongly encouraged to appoint the Chairman of the General Meeting as their proxy. This is to ensure that your vote is counted.
3. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to a different shares or shares held by the member. To do this a member must complete a separate Form of Proxy for each proxy.
4. The notes to the proxy form explain how to direct your proxy how to vote on each Resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed and signed, sent or delivered to and received by Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than no later than 10.00 a.m. on 8 April 2021, being 48 hours before the time of the General Meeting or any adjournment thereof. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. In the case of joint holders, where more than one of the joint holders purports to vote or appoint a proxy, only the vote or appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services (Ireland) Limited. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services PLC no later than 48 hours before the time of the General Meeting or any adjournment thereof. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
9. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's registrars, Computershare Investor Services (Ireland) Ltd. (CREST participant ID: 3RA50), not later than 10.00 a.m. on 8 April 2021, being 48 hours before the time appointed for the holding of the General Meeting or any adjournment thereof. 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.
10. As at 24 March 2021 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 4,426,409,576 ordinary shares of 0.025p each. Each ordinary share carries the right to vote at a general meeting of the Company, and therefore, the total number of voting rights in the Company as at 24 March 2021 was 4,426,409,576.