

Dated [•] 2021

Convertible Loan Note Instrument

Constituting US\$50,000,000 Convertible Loan Notes

of

Energiean Plc

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Convertible Loan Note Instrument

This Instrument is executed on [●] 2021 as a deed

By:

ENERGEAN PLC, a company incorporated and registered in England and Wales with company number 10758801 and whose registered address is at Accurist House, 44 Baker Street, London, W1U 7AL United Kingdom (the “**Company**”).

Whereas:

- (A) The Company, pursuant to its memorandum and articles of association and by a resolution of its shareholders passed on [●] and by a resolution of its Directors passed on [●] (the **Approvals**): (a) resolved to create up to a maximum amount of US\$50,000,000 of convertible loan notes due to be repaid on the third anniversary of the date of this Instrument; and (b) authorised the conversion of the Notes into Ordinary Shares and the issue of the Conversion Shares to the Initial Noteholder on each Conversion Date in accordance with the terms of this Instrument.
- (B) This Instrument and the Schedules constitute the Notes.

Now this instrument witnesses and the Company declares as follows:

1. Definition and Interpretation

1.1 Defined Terms

In this Instrument the following expressions shall where the context permits have the following meanings:

“**ABAC Law**” means any anti-bribery or anti-corruption law (including common law), regulation or rule in any jurisdiction (including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, the Greek Criminal Code (specifically articles 234-237, 237A, 237B and 239) or Israeli Penal Code (specifically sections 290-297));

“**Allotment Condition**” means the passing at a duly convened and held general meeting of the Company of a special resolution granting the Directors sufficient authority to allot and issue the Conversion Shares free of any pre-emption rights;¹

“**Approvals**” has the meaning given in Recital (A);

“**Articles**” means the articles of association of the Company as at the date of this Instrument, as may be amended from time to time;

“**Business Day**” means any day (other than a Saturday or Sunday or public holiday) when clearing banks are open for business in the City of London and the British Virgin Islands for the transaction of normal banking business;

“**Certificate**” means a certificate for the Notes issued in accordance with Clause 7 and in the form, or substantially in the form, set out in Schedule 1;

“**Change of Control**” means:

¹ Note to draft – If the Allotment Condition is satisfied before Completion, the references to Allotment Condition in the CLN can be removed in the version of the CLN that is executed at Completion.

- (a) the acquisition of a Controlling interest in the Company by any person or persons acting in concert (as defined in the City Code on Takeovers and Mergers) with them;
- (b) the sale or transfer of the whole or a substantial part of the business and/or assets of the Company to a third party;
- (c) the disposal by the Company or its relevant Subsidiary of a fifty per cent. (50%) or greater interest in either the Tanin Lease or the Karish Lease; or
- (d) EISL or E&PHL ceasing to be a Subsidiary of the Company;

“**Conditions**” means the conditions set out in Schedule 2, as from time to time amended or modified in accordance with the provisions of this Instrument;

“**Control**” means, in relation to any person (being the Controlled Person), that person being:

- (a) entitled to exercise, or control the exercise of (directly or indirectly) fifty per cent or more of the voting power at any general meeting of the shareholders, members or partners or other equity holders (and including, in the case of a limited partnership, of the limited partners of) in respect of all or substantially all matters falling to be decided by resolution or meeting of such persons;
- (b) entitled to appoint or remove or control the appointment or removal of:
 - (i) directors on the Controlled Person’s board of directors or its other governing body (or, in the case of a limited partnership, of the board or other governing body of its general partner) who are able (in the aggregate) to exercise fifty per cent or more of the voting power at meetings of that board or governing body in respect of all or substantially all matters; and/or
 - (ii) any managing member of such Controlled Person;
 - (iii) in the case of a limited partnership, its general partner; or
- (c) entitled to exercise a dominant influence over the Controlled Person (otherwise than solely as a fiduciary) by virtue of the provisions contained in its constitutional documents or, in the case of a trust, trust deed or pursuant to an agreement with other shareholders, partners, members of the Controlled Person,

and **Controller**, **Controlled** and **Controlling** shall be construed accordingly; and where one person is Controlled by the same Controller as another person those two persons shall be under common Control;

“**Conversion Date**” means the date specified in a Conversion Notice delivered in accordance with the Conditions, provided that the Conversion Date shall not be later than the Final Repayment Date;

“**Conversion Notice**” means a notice in writing by a Noteholder to convert all or part of its outstanding Notes into Ordinary Shares, made in accordance with Condition 3.1.1 of Schedule 2 and in the form set out in Schedule 4;

“**Conversion Price**” means GBP 9.50, as such price may be adjusted in accordance with Condition 3.3.2;

“**Conversion Shares**” means such number of Ordinary Shares, credited as fully paid, as may be issued following the exercise by a Noteholder of its rights to call for the conversion of the Notes into Conversion Shares in accordance with Condition 3;

“**De-Listing Event**” means where:

- (a) at any time the Ordinary Shares cease to be listed on the London Stock Exchange plc, unless the Ordinary Shares are already admitted to trading and/or listing or are to be immediately admitted to trading and/or listing on another internationally recognised, regularly operating and regulated stock exchange approved with prior written Noteholder Approval and provided that the Tel Aviv Stock Exchange (TASE) shall not constitute an internationally recognised, regularly operating and regulated stock exchange for the purposes of this subparagraph (a); or
- (b) trading of the Ordinary Shares on any stock exchange on which they are, for the time being, listed and/or admitted to trading is suspended for a period of ten (10) consecutive dealing days or more (provided that trading of the Ordinary Shares shall not be considered to be suspended on any dealing day on which a general suspension of trading on the relevant stock exchange has occurred or where such suspension is in connection with a scheme of arrangement or merger, amalgamation or consolidation relating to the Company),

provided that if the Company has obtained the prior written Noteholder Approval to cease trading on the London Stock Exchange plc such cessation shall not be a De-Listing Event;

“**Directors**” means the board of directors of the Company for the time being or a duly authorised committee thereof;

“**EISL**” means Energean Israel Limited, a company existing under the laws of Cyprus having a registration number of HE 334295 and whose registered office is at 22 Lefkonos Street, Strovolos, 2064, Nicosia, Cyprus;

“**E&PHL**” means Energean E & P Holdings Limited, a company existing under the laws of Cyprus having a registration number of HE 261880 and whose registered office is at 22 Lefkonos Street, Strovolos, 2064, Nicosia, Cyprus;

“**Event of Default**” has the meaning given in Condition 5 of Schedule 2;

“**Exchange Rate**” means a USD:GBP exchange rate of USD 1.3486 = GBP 1.00;

“**Final Repayment Date**” means 29 December 2023;

“**GBP**” means UK pounds sterling;

“**Indebtedness**” means any present or future indebtedness (whether being principal, interest or other amounts) for or in respect of (a) money borrowed, (b) liabilities under or in respect of any acceptance or acceptance credit or (c) any notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash;

“**Initial Noteholder**” means Kerogen Investments No. 38 Limited, a business company incorporated in the British Virgin Islands, having its registered office at 171 Main Street, Road Town Tortola VG1110, British Virgin Islands and whose registered number is 1931266;

“**Kerogen SPA**” means the sale and purchase agreement dated 29 December 2020 between the Company, E&PHL, and Kerogen Investments No. 38 Limited;

“**Noteholder**” means a person for the time being entered in the Register as the holder of a Note;

“**Notes**” means the US\$50,000,000 Convertible Loan Notes of the Company constituted by this Instrument, or, as the case may be, the principal amount thereof for the time being issued and outstanding;

“Noteholder Approval” means the approval of the Initial Noteholder (for so long as it holds any Notes) or if any Notes have been transferred by the Initial Noteholder in accordance with Condition 7.1, the approval of the Noteholders by written resolution of the holders of at least seventy-five per cent in nominal amount of the Notes then in issue;

“Ordinary Shares” means the ordinary shares in the Company with a nominal value of £0.01 each;

“Register” means the register of Noteholders to be maintained by the Company in accordance with Clause 8;

“Relevant Indebtedness” means any present or future indebtedness (whether being principal, interest or other amounts), in the form of or evidenced by notes, bonds, debentures, loan stock or other similar debt instruments, whether issued for cash or in whole or in part for a consideration other than cash, and which are, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market;

“Restricted Person” means any person who:

- (a) declines or fails to provide the Company with such evidence as the Company requires for regulatory and compliance purposes in order to satisfy itself as to the identity of all persons proposed to have an interest in the Ordinary Shares;
- (b) is listed in (or is Controlled by entities that are listed in) any Sanction List;
- (c) is incorporated in (or is Controlled by entities that are incorporated in) a Sanctioned Jurisdiction; and/or
- (d) has been (or is Controlled by entities that have been) confirmed by an applicable court or regulator to have violated any ABAC Law;

“Sanctioned Jurisdiction” means a country or territory that is listed in a Sanction List:

“Sanction List” means any of the sanction lists of HM Treasury in the United Kingdom, the Bank of England, the European Union, the Office of Foreign Asset Control in the United States of America and/or the United Nations Security Council (each as amended, supplemented or substituted from time to time);

“Security Interest” means any pledge, claim, charge, mortgage, debenture, security, lien, option, equity, power of sale, hypothecation or other third party rights, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the above;

“Subsidiary” means any company in which the Company holds, directly or indirectly, through another Subsidiary, more than 50% of the share capital or the rights generally to vote at a general meeting of shareholders of the Company; and

“USD” or **“US\$”** means United States dollars.

1.2 References

In this Instrument, unless the context requires otherwise, any reference to:

- (a) a party or the parties is to a party or the parties (as the case may be) to this Instrument;
- (b) a person is to any individual, company, partnership, joint venture, firm, association, trust, government or regulatory authority or other body or entity (whether or not having a separate legal personality);

- (c) redemption includes purchase and repayment and the words redeem and redeemed shall be construed accordingly;
- (d) a Clause or a Schedule is to a clause of or a schedule to this Instrument;
- (e) this Instrument includes the Schedules, which form part of this Instrument for all purposes;
- (f) the headings herein are for convenience only and shall not affect the interpretation hereof;
- (g) a statute or statutory provision (including the City Code on Takeovers and Mergers) includes any consolidation, re-enactment, modification or replacement of the same and any subordinate legislation in force under the same, from time to time; and
- (h) the singular include the plural (and vice versa) and references to persons include firms, corporations and unincorporated associations.

2. Amount and Status of the Notes

2.1 Issue of the Notes

All the obligations and covenants contained in this Instrument shall be binding on the Company and each Noteholder and all persons claiming through them (to the extent permitted by this Instrument).

2.2 Amount of the Notes

The principal amount of the Notes constituted by this Instrument shall be US\$50,000,000 in aggregate nominal value.

2.3 Description of the Notes

The Notes shall be known as the US\$50,000,000 Convertible Loan Notes and shall be issued fully paid in amount and in integral multiples of US\$5,000,000 by the Company. The Notes when issued shall rank *pari passu* equally and rateably without discrimination or preference and as an unsecured obligation of the Company. No Note may be transferred or converted in smaller multiples than US\$5,000,000.

2.4 Cancellation of the Notes

Subject to Clause 7.3, to the extent that any Notes are converted or fully repaid, redeemed or purchased by (or on behalf of) the Company in accordance with the provisions of this Instrument, such Notes shall be cancelled immediately and shall not be re-issued.

2.5 Listing of the Notes

No public offer or application has been made, or is intended to be made, to any listing authority, stock exchange or other market for the Notes to be listed or otherwise traded.

2.6 Conversion

- (a) The Company shall convert such principal amount of the Notes as shall be specified in the relevant Conversion Notice received by the Company from a Noteholder into the Conversion Shares at the Conversion Price in accordance with this Instrument.
- (b) The process as provided in this Clause 2.6 is referred to as a “conversion” in this Instrument (and “converted” shall be construed accordingly).

2.7 Negative pledge

So long as any of the Notes remain outstanding, the Company will not create or permit to subsist any Security Interest upon or with respect to the whole or any part of its present or future business, undertaking, property, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, any and all action necessary shall have been taken to ensure that:

- (a) all amounts payable by the Company under the Notes are secured by the relevant Security Interest equally and rateably with the Relevant Indebtedness or guarantee or indemnity, as the case may be; and
- (b) such other Security Interest or guarantee or indemnity or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Company under the Notes and is either (i) not materially less beneficial to the interests of the Noteholders or (ii) has been the subject of prior Noteholder Approval.

3. Interest

3.1 No interest on principal

The principal amount of the Notes shall not bear interest.

4. Repayment, Redemption and Purchase of Notes

The provisions relating to repayment, purchase and redemption of the Notes are set out in the Conditions.

5. Conditions

The Conditions and provisions contained in the Schedules shall have effect in the same manner as if such Conditions and provisions were set out herein. The Notes shall be held subject to and with the benefit of the Conditions and of the provisions in the Schedules, all of which shall be binding on the Company and the Noteholders and all persons claiming through them respectively. The Conditions shall be endorsed on the Certificates to be issued to each Noteholder.

6. Payments

6.1 Making of Payments

All moneys payable in respect of the Notes to be redeemed or purchased or cancelled shall be payable to a Noteholder's account at such office or bank as it may notify the Company from time to time in immediately available funds subject to surrender of the Certificate for the Notes redeemed at the registered office of the Company from time to time notified to the Noteholders.

6.2 Payments Due on Non-Business Days

If any payment is due on a non-Business Day, the due date for payment shall instead be the immediately preceding Business Day.

6.3 Payments to be made in Full

All sums payable hereunder shall be paid in full without set-off or counterclaim and free and clear of and without any deduction on account of any present or future taxes, levies, imposts, duties, charges or withholdings of any nature.

7. Certificates

7.1 Issue of Certificate

Each Noteholder shall be entitled to receive without charge one Certificate for the amount of Notes registered in its name.

7.2 Form of Certificate

The Certificate for Notes shall bear a denoting number and shall be issued to each Noteholder either under the Company's seal or signed by two directors or one director and the secretary of the Company. The Certificate shall be substantially in the form set out in Schedule 1 and shall have the Conditions endorsed on it.

7.3 New Certificate

When part only of the Notes are converted or redeemed, the old Certificate shall be cancelled and a new Certificate for the balance of such Notes shall be issued without charge.

8. Register

8.1 Keeping the Register

The Company shall, at all times, keep a Register at its registered office (or at such other place as the Company may from time to time have appointed for the purpose and have notified to the Noteholders).

8.2 Contents of the Register

The Register shall contain the following details:

- (a) the name and address of each Noteholder for the time being;
- (b) the notice details for each Noteholder for the purposes of Condition 11;
- (c) the principal amount of the Notes held by each Noteholder;
- (d) the date at which the name of each Noteholder is entered in respect of the Notes registered in his name;
- (e) the denoting number of the Certificate for the Notes issued and the date of issue of the Note; and
- (f) the date on which a person ceases to hold the Notes.

8.3 Changes in Noteholder

Any change of name or address on the part of any Noteholder shall forthwith be notified to the Company and the Register shall be altered accordingly. Each Noteholder and any person (not being a person to whom the Company may reasonably object) authorised in writing by any Noteholder shall be at liberty, at all reasonable times during business hours on any Business Day and free of charge, to inspect the Register and a copy of the Instrument.

8.4 Title

Except as required by law, the Company shall recognise the registered holder of any Notes as the absolute owner thereof for all purposes and shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust, whether express, implied or constructive, to which any Notes may be subject and the receipt of the registered holder for the time being of any Notes, for the principal moneys payable in respect thereof or for any other moneys payable in respect thereof shall be a good discharge to the Company, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any other person to or in such Notes or moneys. The Company shall not be bound to enter any notice of any trust, whether express, implied or constructive, on the Register in respect of any Notes.

8.5 Location of the Register

The Company shall promptly notify each Noteholder of any change in the address of the Register.

9. Notice of Event of Default, Change of Control or De-Listing Event

Immediately upon the occurrence of an Event of Default, a Change of Control, or a De-Listing Event, the Company shall (to the extent within its power) give notice to every Noteholder providing each Noteholder with a reasonable level of detail regarding the nature of such event or circumstance and any rights of the Noteholders under the Instrument or the Conditions arising as a result of the occurrence of such event or circumstance.

10. Amendments

The provisions of this Instrument and the Conditions may only be amended in accordance with Condition 9.

11. Covenant

The Company covenants with each Noteholder that, for so long as any Notes remain in issue:

- 11.1** it will duly perform and observe all the covenants, conditions, provisions and obligations on its part contained in this Instrument;
- 11.2** the Directors shall not, without prior written Noteholder Approval, propose any amendment or variation to the Articles which adversely affect the rights of the Noteholders;
- 11.3** it shall at all times maintain a listing on, and an admission to trading of, all of its Ordinary Shares (including any Conversion Shares that have been issued pursuant to this Instrument and the Conditions) on the London Stock Exchange plc or on another internationally recognised, regularly operating and regulated stock exchange approved with Noteholder Approval;
- 11.4** it will comply, and will procure that its Subsidiaries comply, with ABAC Law;
- 11.5** subject to the satisfaction of the Allotment Condition, it will have obtained and shall maintain sufficient shareholder authority, and all other required approvals, authorisations, consents and waivers, for the allotment and issue of Ordinary Shares free of any statutory or other rights of pre-emption (whether pursuant to the Articles or otherwise) to satisfy in full, without the need for the passing of any further resolutions of its shareholders, the most onerous of the outstanding rights of conversion for the time being attaching to the Notes pursuant to the Conditions,

without first having to offer the same to any existing shareholders of the Company or any other person; and

- 11.6** it will supply to the Noteholders at the same time as they are dispatched, copies of all documents dispatched by the Company to its shareholders.

12. Law and Jurisdiction

12.1 Governing law

This Instrument, including any non-contractual obligations arising out of or in connection with this Instrument, shall be governed by and construed in accordance with English Law.

12.2 Jurisdiction

The Company and each Noteholder irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute arising out of or in connection with this Instrument or any non-contractual obligation arising out of or in connection with this Instrument.

Schedule 1

Form of Certificate

Certificate No.	Issue Date	Amount (US\$)

Energean Plc

(Incorporated in England and Wales with registered number 10758801)

Convertible Loan Notes

THIS IS TO CERTIFY that the undermentioned is/are the registered holder(s) of the amount set out below of the Convertible Loan Notes constituted by an instrument entered into by the Company on [●] 2021 (the “**Instrument**”) and issued with the benefit of and subject to the provisions contained in the Instrument. Where the context so admits, words and expressions defined in the Instrument and this Certificate shall bear the same meanings in the Conditions endorsed.

This Certificate is evidence of entitlement only. Title to the Notes passes only on due registration on the Register and any payment due on the Notes will be made only to the duly registered holder.

Name(s) of Holder(s)

Amount of Notes (in US\$)

IN WITNESS of which this Certificate has been executed as a deed and has been delivered on the date which first appears:

Executed as a deed by Energean plc:

.....

Director

.....

Director/Secretary

Dated

NOTES:

- The Notes are repayable in accordance with the Conditions endorsed.*
- The Notes may only be transferred in accordance with the Conditions. In the event of a transfer, this Certificate must be returned to the Company prior to any registration of the transfer.*

3. *A copy of the Instrument is available for inspection at the Company's registered office.*
4. *The Notes and any non-contractual obligations arising out of or in connection with this Instrument, shall be governed by and construed in accordance with English Law. The English courts shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes).*

Schedule 2

The Conditions

The Instrument is as defined on the Certificate attached to these Conditions. Words and expressions defined in the Instrument (of which these Conditions form a part) but not defined in these Conditions shall have the same meaning in these Conditions as in the Instrument.

1. Interest

1.1 No interest on principal

The principal amount of the Notes shall not bear interest.

2. Repayment and Redemption

2.1 Repayment

The Company shall, on the Final Repayment Date, redeem all outstanding Notes in full by repaying to the relevant Noteholder either:

- (a) if the Allotment Condition has been satisfied, an amount equal to the aggregate of the then outstanding principal amount of the Notes held by it; or
- (b) if the Allotment Condition has not been satisfied, an amount equal to the higher of: (i) an amount equal to the aggregate of the then outstanding principal amount of the Notes held by it and (ii) the product of $A \times B$, where:

A = the number of Conversion Shares that the principal amount of such Notes would convert into if they were converted as at the prevailing Conversion Price on the Final Repayment Date; and

B = the Current Market Price (as defined in Schedule 3) as at the Final Repayment Date.

If the Final Repayment Date is not a Business Day, the redemption payment shall be made on the immediately preceding Business Day.

2.2 Early Repayment

The Company may not redeem or repay the Notes prior to the Final Repayment Date except as expressly provided in these Conditions and the Instrument.

3. Conversion

3.1 Conversion Events

3.1.1 For so long as and, where applicable, to the extent that:

- (a) the Allotment Condition has been satisfied;
- (b) the Final Repayment Date has not been reached;
- (c) more than ninety (90) calendar days has passed since such Noteholder previously delivered a Conversion Notice; and
- (d) all the Notes have not otherwise been converted into Ordinary Shares or redeemed or repurchased, in each case, in accordance with these Conditions and the Instrument,

a Noteholder may elect, on any date which is at least ten (10) Business Days prior to the Final Repayment Date, to convert all or some of the Notes held by it for the time being outstanding into Ordinary Shares at the applicable Conversion Price on the relevant Conversion Date by delivering a Conversion Notice to the Company. A Conversion Notice must specify the Conversion Date (which must not be later than the Final Repayment Date) and must be delivered to the Company at least five (5) Business Days prior to the relevant Conversion Date at the registered office of the Company for the time being as notified from time to time to the Noteholders.

3.1.2 If a Conversion Notice is delivered by a Noteholder in accordance with Condition 3.1.1 above or Condition 4 below, the Notes (specified in the Conversion Notice) held by such a Noteholder shall be converted, and the Conversion Shares shall be issued in the name of such Noteholder (or such other person as nominated by such Noteholder in the Conversion Notice), on the Conversion Date.

3.1.3 The service of a Conversion Notice shall be irrevocable except with the prior written consent of the Company such consent not to be unreasonably conditioned, withheld or delayed.

3.2 Conversion of Notes

3.2.1 On a Conversion Date, the Company shall convert such amount of principal outstanding on the relevant Notes as is specified in the Conversion Notice into such number of new fully paid Ordinary Shares as is determined by dividing such amount by the then prevailing Conversion Price and as determined in accordance with Condition 3.3.

3.2.2 Conversion of the Notes shall be effected by the Company redeeming the relevant Notes on the Conversion Date. The Noteholder whose Notes are being converted shall be deemed to authorise irrevocably and instruct the Company to apply the redemption moneys payable to that Noteholder in subscribing for Ordinary Shares on conversion that corresponds with the relevant amount of the Notes held by that Noteholder which are being converted on the Conversion Date.

3.2.3 Upon the conversion of the Notes, the relevant Ordinary Shares shall be issued and allotted by the Company on the relevant Conversion Date and the certificates for such Ordinary Shares shall be promptly despatched to the persons entitled to them. A Noteholder may request that the Ordinary Shares arising on conversion of the Notes shall be issued in uncertificated form and delivered to a relevant securities account notified to the Company in writing by such Noteholder.

3.2.4 The Conversion Shares shall be credited as fully paid and rank *pari passu* with all other Ordinary Shares in issue on the relevant Conversion Date and shall carry the right to receive all dividends and other distributions declared on and after the relevant Conversion Date.

3.2.5 Fractions of Conversion Shares will not be issued on conversion. A Noteholder shall receive a cash payment in respect of any fractional entitlement in respect of the Conversion Shares.

3.2.6 All amounts of the Notes converted into Conversion Shares shall be cancelled and the Company may not reissue the same.

3.3 Conversion Price

3.3.1 The number of Conversion Shares into which the Notes are converted shall be X, where:

$$X = \frac{\text{the principal amount (in USD) outstanding under the Notes as at the relevant Conversion Date}}{\text{(the Conversion Price} \times \text{ER)}}$$

ER = the Exchange Rate

3.3.2 The Conversion Price is subject to adjustment in accordance with the provisions of Schedule 3.

3.4 **General**

The Company will, subject to the Allotment Condition being satisfied, maintain an amount of authorised but unissued share capital sufficient to fulfil all rights of conversion pursuant to this Condition 3 and the Approvals and to permit the issue of the Conversion Shares and also ensure that it has obtained and maintained all relevant authorities (from shareholders or otherwise) to allow it to issue the Conversion Shares at the appropriate time.

3.5 **Conversion Set-Off**

Immediately prior to conversion, the relevant amount of the outstanding principal under the relevant Notes shall be deemed to become immediately due and payable and the obligations of the Company to repay such principal in respect of such Notes will be discharged against the allotment of all of the fully paid Conversion Shares to the relevant Noteholder in accordance with Condition 3.

3.6 **Registration, payment and entitlement**

3.6.1 Where Conversion Shares are to be issued to a Noteholder (or such other person as nominated by such Noteholder in the relevant Conversion Notice), the Company shall on the relevant Conversion Date:

- (a) notify such Noteholder in writing of the number of Conversion Shares to be allotted and issued to such Noteholder (or such other person as nominated by such Noteholder in the relevant Conversion Notice) in respect of the relevant amount of the Notes held by such Noteholder that are to be redeemed and converted;
- (b) in accordance with the Approvals and subject to the Allotment Condition being satisfied, allot and issue to such Noteholder (or such other person as nominated by such Noteholder in the relevant Conversion Notice) the requisite number of Conversion Shares to convert the relevant amount of the Notes held by such Noteholder at the Conversion Price;
- (c) issue such share certificates to such Noteholder as are necessary to evidence the Conversion Shares allotted and issued to it (or such other person as nominated by such Noteholder in the relevant Conversion Notice) or, if the relevant Noteholder has also requested in writing (specifying the account with the applicable securities clearing system to which the Conversion Shares are to be delivered), take all necessary action to enable the Conversion Shares to be delivered through the relevant stock exchange on which the Conversion Shares are listed and traded, or equivalent securities clearing system in respect of shares listed on the stock exchange on which the Conversion Shares are listed and traded; and
- (d) immediately thereafter register the person or persons designated for the purpose by the relevant Noteholder (or if no person is so designated, the relevant Noteholder) as holder of the relevant number of Conversion Shares in the share register of the Company.

3.6.2 The Conversion Shares will be duly authorised, be fully paid (and will be credited to the books of the Company as such), be freely transferable free from any pre-emption rights or Security Interest and will (in all respects) rank *pari passu* with the shares in issue on the relevant Conversion Date so that the person or persons so designated in writing by the relevant Noteholder in the relevant Conversion Notice (or, if no person is so designated, the Noteholder) will be entitled to all rights, distributions or payments in respect of such Conversion Shares where the record date or other due date for establishment of entitlement falls on or after the relevant Conversion Date (except as precluded by law).

3.6.3 The Conversion Shares shall have other rights and terms no less favourable than those attaching to any other Shares pursuant to the Articles of Association.

3.6.4 The Company shall be responsible for paying all stamp, documentary, issue, registration and transfer taxes and duties payable on the issue and allotment of the Conversion Shares to the relevant Noteholder (or those persons designated by the relevant Noteholder) in accordance with this Condition 3.6.4.

4. Repayment on a Change of Control or De-Listing Event

4.1 If a Change of Control or a De-Listing Event occurs, each Noteholder may elect, at its sole discretion, in respect of any outstanding Notes of that Noteholder by delivery of a written notice to the Company to request repayment in full of all such Notes.

4.2 If a Noteholder makes a written request for repayment of all of its outstanding Notes pursuant to Condition 4.1, the amount of such outstanding Notes of such Noteholder specified in the relevant repayment request (the “**Repayment Amount**”) shall be immediately due and payable in cash and the Company shall promptly pay an aggregate amount in cash equal to the Repayment Amount to such Noteholder in accordance with Condition 6.

5. Mandatory Repayment

5.1 The Notes of each Noteholder shall be immediately due and payable in cash for an aggregate amount equal to the amount of outstanding principal on such Notes upon such Noteholder making a written request to call for repayment of its Notes upon the occurrence of any of the following events (each an “**Event of Default**”):

(i) Insolvency Events

Entry against the Company of an order, judgment or decree by any court of competent jurisdiction, approving a petition seeking bankruptcy, reorganisation (other than solvent reorganisation), dissolution, liquidation of the Company or of all or substantially all the assets of the Company.

(ii) Insolvent

The Company is unable to, or states that it is unable to, pay its debts as they fall due or stops or threatens to stop paying its debts as they fall due.

(iii) Insolvency Proceedings

The Company either makes an assignment of substantially all of its assets for the benefit of its creditors or makes a general or special arrangement or scheme of arrangement or composition (whether voluntary or compulsory) with its creditors or any class of creditors or declares or agrees a moratorium, issues a notice convening a meeting to resolve to do any of the above or makes a proposal for a voluntary arrangement under any applicable insolvency statute, rule or regulation to be made in respect of the Company.

(iv) Insolvency Applications

Any petition, application, order or resolution is presented (not being, in the case of a winding-up petition, frivolous, vexatious or an abuse of legal process), made or passed for the administration, liquidation, winding-up or dissolution of the Company or any receiver, administrative receiver, receiver and manager, custodian or trustee is appointed to or over all or any of the assets of the Company.

(v) Illegality

All or any part of this Instrument becomes invalid, unenforceable, terminated, unlawful, disputed or ceases to have full force and effect.

(vi) **Material Breach**

A material breach by the Company of any of the terms of this Instrument (which shall include any breach of Clause 2.7 (*Negative Pledge*), which if capable of remedy, has not been remedied within fifteen (15) calendar days following notification to the Company by any Noteholder.

(vii) **Repudiation**

The Company repudiates (or shows an intention to repudiate) the Notes or this Instrument.

(viii) **Cross default and cross acceleration**

Where (A) any Indebtedness of the Company, E&PHL or EISL (or any Subsidiary of EISL) has been declared due and repayable prematurely by reason of an event of default (however described); (B) any Indebtedness of the Company, E&PHL or EISL (or any Subsidiary of EISL) is capable of being declared due and repayable, prematurely by reason of an event of default (however described); (C) the Company, E&PHL or EISL (or any Subsidiary of EISL) fails to make any payment in respect of any Indebtedness on the due date for payment as extended by any originally applicable grace period; or (D) default is made by the Company, E&PHL or EISL (or any Subsidiary of EISL) in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness or any other person) provided that, in the case of limbs (B) to (D) (inclusive), no such event shall constitute an Event of Default unless the relative Indebtedness, either alone or when aggregated with other Indebtedness relative to all (if any) other such events which shall have occurred, shall amount to at least US\$50,000,000 (or its equivalent in any other currency).

(ix) **Failure to pay under the Kerogen SPA**

Failure by the Company or E&PHL to pay any sums due to Kerogen Investments No.38 Limited under the Kerogen SPA.

(x) **Ceasing to carry on business**

The Company, E&PHL; and/or EISL ceasing to carry on all or substantially all of its or their respective businesses or operations.

6. Payments

6.1 Making of Payments

All moneys payable in respect of the Notes to be redeemed or purchased or cancelled shall be payable to the relevant Noteholder's account at such office or bank as it may notify the Company from time to time in immediately available funds subject to surrender of the Certificate for the Notes redeemed at the registered office of the Company notified from time to time to each Noteholder.

6.2 Payments due on a non-Business Day

If any payment is due on a non-Business Day, the due date for payment shall instead be the immediately preceding Business Day

6.3 Interest on late payments

Default interest will be charged on any amounts payable by the Company to a Noteholder in respect of any Notes held by such Noteholder not paid when due. This default interest shall accrue from the due date for payment until the date of actual payment (after as well as before any judgment). It shall be calculated at a rate equal to 9.77% per cent. per annum and such default interest shall be calculated on the basis of a year of 365 days and for the actual number of days elapsed. This default interest shall be payable on demand and shall be compounded on a monthly basis.

6.4 Payments to be made in Full

All sums payable hereunder shall be paid in full without set-off or counterclaim and free and clear of and without any deduction on account of any present or future taxes, levies, imposts, duties, charges or withholdings of any nature, unless the withholding or deduction is required by law. In that event, the Company will pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts which otherwise would have been receivable in respect of the Notes in the absence of such withholding or deduction, provided that, in respect of any deduction or withholding in respect of a payment by the Company pursuant to Clause 3.8(b) or 3.8(c) of the Kerogen SPA, the Company shall not be required to pay to the Initial Noteholder an additional amount as otherwise provided for in this Condition.

7. Transfer of Notes

7.1 Transferability

7.1.1 The Notes shall be freely transferable by the Noteholders, save that no transfer may be made to Restricted Person. Any transfer shall be made by way of instrument in writing in the usual customary form.

7.1.2 Each instrument of transfer shall be signed by or on behalf of the transferor (or transferors in the case of joint holders) and the transferor shall be deemed to remain the owner of the Notes until the name of the transferee is entered in the Register in respect of the Notes.

7.1.3 Each instrument of transfer must be delivered, duly stamped (if applicable), at the registered office of the Company from time to time for registration accompanied by the Certificate of the Notes to be transferred and such other evidence (if any) the Directors may reasonably require to prove the title of the transferor or its right to transfer the Notes. The Company shall promptly complete the registration of the transfer upon receipt by the Company of the aforementioned documentation and the Company shall not delay or refuse to register a transfer of the Notes that complies with this Condition 7.1. No fee will be charged by the Company for the registration of any transfer.

7.1.4 All instruments of transfer which shall be registered shall be retained by the Company.

7.2 No assignment

The Company may not assign or transfer any of its rights or obligations under or in connection with the Notes or the Instrument except with prior written Noteholder Approval. Subject to the preceding sentence, this Instrument and the Conditions shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns or transferees.

8. Title and Certificates

8.1 Title to Notes

The Company shall recognise each registered holder of the Notes as the sole absolute owner of such Notes and as alone entitled to receive and give effectual discharges for the moneys due in respect of such Notes. The Company shall not be affected by notice of any trust whether express, implied or constructive to which any Notes may be subject and shall not be affected by any notice it may have whether express or constructive of the right, title or claim of any other person other than the relevant Noteholder to or in such notes or moneys replacement certificates.

8.2 Lost or Destroyed Certificate

If any Certificate is worn out or defaced, then upon production thereof to the Directors, they may cancel the same and may issue a Certificate in lieu thereof; and if any Certificate is lost or destroyed, then upon proof of the same being given to the reasonable satisfaction of the Directors, and in default of such proof, on such terms as to evidence and indemnity (in the usual customary form) a new Certificate in lieu thereof may be given to the relevant Noteholder.

8.3 Surrender of Certificates

If the Noteholder whose Notes are liable to be repaid under any of the provisions hereof or otherwise shall fail or refuse to deliver up the Certificate(s) that it holds to the Company for cancellation (or, as the case may be, replacement by a new certificate for the Notes held by such Noteholder following such repayment) within twenty-one (21) days after the date for repayment of the Notes comprised therein or shall fail or refuse to accept payment of the repayment moneys payable in respect thereof the Company shall be at liberty to deposit in a bank in an interest bearing account in the name of the Noteholder the amount payable to such Noteholder and upon such deposit or payment being made the Notes which the Company is ready to pay off or satisfy shall be deemed to have been paid off and satisfied in accordance with the provisions hereof. If the Company shall place the said moneys on deposit at a major bank the Company shall not be responsible for the safe custody of such money or for interest on that money except such interest (if any) as the said moneys may earn whilst on deposit less any expenses incurred by the Company in connection therewith. If such moneys (including any interest earned thereon) remain unclaimed after a period of 12 years from the due date for payment, they shall be forfeited and revert to the Company.

9. Modification

9.1 The provisions of the Instrument or of the Notes and the rights of the Noteholders may from time to time be modified, abrogated or compromised or any arrangement or amendment agreed in any respect only with the agreement in writing of the Initial Noteholder or, if any Notes have been transferred by the Initial Noteholder in accordance with Condition 7.1, by Noteholder Approval, subject in either case, to the prior written consent of the Company.

9.2 Any such modification, abrogation, compromise or arrangement effected pursuant to Condition 9.1 shall be binding on all Noteholders.

10. Risk to Noteholders

All Certificates, other documents and remittances sent through the post shall be sent at the risk of the Noteholder(s) entitled thereto

11. Notices

11.1 A notice under this Instrument shall only be effective if it is in writing, in English and shall be delivered by hand, sent by pre-paid first class post or recorded delivery post or courier to the

address of the relevant party as set out below, or email to the email address of the relevant party as set out below.

- 11.2 Notices under this Instrument shall be sent (a) to the Company at its address or email address (as applicable) and for the attention of the individual set out below; and (b) to any Noteholder to the notice details set out in the Register.

Company

Address: Energean PLC
44 Baker Street
London W1U 7AL

FAO: The Company Secretary

Email: cosec@energean.com

Provided that a party may change its notice details on giving notice of such change to the Company (in the case of a Noteholder) or the Noteholders (in the case of the Company) in accordance with this Condition 11.2. That notice shall only be effective on the date falling five (5) clear Business Days after the notification has been received or such later date as may be specified in the notice:

- 11.3 Any notice given under this Instrument shall, in the absence of earlier receipt, be deemed to have been duly received as follows:
- (i) if delivered personally, on delivery (or if delivery is not in business hours, at 9.00 a.m. on the first Business Day following delivery);
 - (ii) if sent by first class inland post, one clear Business Days after the date of posting;
 - (iii) if sent by airmail, three (3) clear Business Days after the date of posting; and
 - (iv) if sent by e-mail, at the time of transmission (provided that receipt shall not occur if the sender receives an automated message indicating that the message has not been delivered to the recipient).

12. General

- 12.1 None of the Directors shall, in the absence of negligence or wilful default, have any liability of any nature whatsoever in connection with any exercise of, or omission to exercise, any function assigned to them or it as described in the Instrument.
- 12.2 Each Noteholder shall be recognised by the Company as entitled to its Notes free from any equity, set-off or counterclaim on the part of the Company against the original or any intermediate holder of the Notes.
- 12.3 These Conditions and the Notes shall be governed by and construed in accordance with English law.

Schedule 3

Conversion Price Adjustments

1. Definitions and Interpretations

In this Schedule, unless otherwise defined herein, capitalised terms and expressions used in the Instrument shall have the same meanings in this Schedule. In addition, the following terms and expressions have the following meanings:

“**Closing Price**” means, in respect of an Ordinary Share or any Security, Spin-Off Security, option, warrant or other right or asset, in each case on any dealing day, the closing price on the Relevant Stock Exchange on such dealing day of an Ordinary Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (setting ‘Last Price’, or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the ‘DPDF Page’, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset, if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day, provided that:

- (a) if on any such dealing day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, in respect of such dealing day shall be the Closing Price, determined as provided above, on the immediately preceding dealing day in respect thereof on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Closing Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Closing Price cannot be determined as aforesaid, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Closing Price determined as aforesaid on or as at any dealing day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such dealing day;

“**Current Market Price**” means, in respect of an Ordinary Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to paragraph 2.1(d) or 2.1(f) below in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said five dealing-day period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five dealing days) the Volume Weighted

Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:

- (i) if the Ordinary Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of such Dividend or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
 - (ii) if the Ordinary Shares to be so issued do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (b) for the purpose of determining the Current Market Price of any Ordinary Shares which may be comprised in a Scrip Dividend, if on any of the said five dealing days the Volume Weighted Average Price of the Ordinary Shares shall have been based on a price cum all or part of such Scrip Dividend, the Volume Weighted Average Price of an Ordinary Share on such dealing day or dealing days shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the value (as determined in accordance with paragraph (a) of the definition of “**Dividend**”) of such Scrip Dividend or part thereof; and
- (c) for any other purpose, if any day during the said five-dealing-day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement;

“**dealing day**” means a day on which the Relevant Stock Exchange is open for business and on which Ordinary Shares, Securities, Spin-Off Securities options, warrants or other rights or assets (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time), provided that, unless otherwise specified or the context otherwise requires, references to “dealing day” shall be a dealing day in respect of the Ordinary Shares;

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of

Ordinary Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (a) where a Scrip Dividend is announced, then the Scrip Dividend in question shall be treated as a cash Dividend of an amount equal to the sum of:
 - (i) in respect of the portion (if any) of the Scrip Dividend (which may be the whole of the Scrip Dividend) for which a Shareholder or Shareholders may make an election, the value of the option with the highest value, with the value of each option being equal to the value of the relevant property comprising such option as at the Scrip Dividend Valuation Date provided that, in the case of an option comprising more than one type of property, the value of such option shall be equal to the sum of the values of each individual type of property comprising such option, determined as provided below; and
 - (ii) in respect of the portion (if any) of the Scrip Dividend (which may be the whole of the Scrip Dividend) which is not subject to such election, the value of such portion as determined as provided below,

and where the “**value**” of any property in or comprising of a Scrip Dividend shall be determined as follows:

- (x) in the case of Ordinary Shares comprised in such Scrip Dividend, the Current Market Price of such Ordinary Shares as at the Scrip Dividend Valuation Date;
 - (y) in the case of cash comprising in such Scrip Dividend, the Fair Market Value of such cash as at the Scrip Dividend Valuation Date; and
 - (z) in the case of any other property or assets comprised in such Scrip Dividend, the Fair Market Value of such other property or assets as at the Scrip Dividend Valuation Date;
- (b) any issue of Ordinary Shares falling within paragraph 2.1(a) or 2.1(b) below shall be disregarded;
 - (c) a purchase or redemption or buy back of share capital of the Company by or on behalf of the Company or any of its subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Company or any of its subsidiaries, the weighted average price per Ordinary Share (before expenses) on any day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the Current Market Price of an Ordinary Share:
 - (1) on the Specified Share Day; or
 - (2) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, on the date of first public announcement of such tender offer (and regardless of whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or a formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by or on behalf of the Company or, as the case may be, any of its subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price and (ii) the number of Ordinary Shares so purchased, redeemed or bought back;

- (d) if the Company or any of its subsidiaries (or any person on its or their behalf) shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan or arrangement implemented by the Company for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than (or in addition to) the Company, such dividend or distribution shall for the purposes of the paragraphs under this Schedule 3 be treated as a dividend or distribution made or paid to Shareholders by the Company, and the foregoing provisions of this definition and the provisions of the paragraphs under this Schedule 3 shall be construed accordingly;
- (f) where a Dividend in cash is declared which provides for payment by the Company in the Relevant Currency (or, in the case of a Scrip Dividend, an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise), it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend, an amount in cash) in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend an amount in cash) in the currency in which it is payable by the Company; and
- (g) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Company,

and any such determination shall be made in good faith (where specifically provided, by an Independent Adviser) on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

“Independent Adviser” means an independent investment bank or independent financial institution or adviser with appropriate expertise [of international standing] appointed by the Company at its own expense;

“Ex-Date” means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement, unless otherwise defined herein, the first dealing day for the Ordinary Shares on which the Ordinary Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Ordinary Shares (or, as the case may be, any depositary or other receipts or certificates representing Ordinary Shares) pursuant to paragraph (c) (or, as the case may be, paragraph (d)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made), and provided that, for the avoidance of doubt, the Ex-Date in respect of a Scrip Dividend shall be deemed to be the Ex-Date in respect of the relevant Dividend or capitalisation as referred to in the definition of “Scrip Dividend”;

“Fair Market Value” means, on any date (the **“FMV Date”**):

- (a) in the case of a cash Dividend, the amount of such cash Dividend;
- (b) in the case of any other cash amount, the amount of such cash;
- (c) in the case of Securities (including Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined in good faith by an Independent Adviser), the arithmetic mean of:
 - (i) in the case of Ordinary Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose proviso (ii) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Ordinary Shares or such other Securities or Spin-Off Securities;
 - (ii) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both (a) and (b) during the period of five dealing days on the Relevant Stock Exchange for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the **“Adjusted FMV Date”**) which falls on the first such dealing day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (d) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded,

- (d) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (c) above to be determined pursuant to this paragraph (d), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date).

In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Prevailing Rate” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the **“Original Date”**) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such

rate cannot be so determined (all as determined in good faith), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“**Relevant Currency**” means, at any time, the currency in which the Ordinary Shares are quoted or dealt in at such time on the Relevant Stock Exchange;

“**Relevant Stock Exchange**” means

- (a) in respect of the Ordinary Shares, London Stock Exchange plc or, if the Ordinary Shares cease to be listed and admitted to trading on the London Stock Exchange plc, the principal stock exchange or securities market on which the Ordinary Shares are, at the time of such cessation, listed, admitted to trading or quoted or dealt in; and
- (b) in respect of any Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where “**principal stock exchange or securities market**” shall mean the stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at such time, then “**principal stock exchange or securities market**” shall mean that stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are traded at such time as determined by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets;

A “**Retroactive Adjustment**” shall occur if the Conversion Date in relation to the conversion of any Note shall be

- (a) after the date which is the record date in respect of any consolidation, reclassification, redesignation or sub-division as is mentioned in paragraph 2.1(a), or which is the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in paragraph 2.1(b), 2.1(c), 2.1(d), 2.1(e) or 2.1(i), or which is the date of the first public announcement of the terms of any such issue or grant as is mentioned in paragraph 2.1(f) and paragraph 2.1(g) or of the terms of any such modification as is mentioned in paragraph 2.1(h); and
- (b) before the relevant adjustment to the Conversion Price becomes effective under paragraph 2.1.

“**Scrip Dividend**” means:

- (a) a Dividend which is to be satisfied, or a Dividend in cash which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the issue or delivery of Ordinary Shares and/or other property or assets; or
- (b) an issue of Ordinary Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) which is to be satisfied, or which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the payment of cash.

“Scrip Dividend Valuation Date” means:

- (a) in respect of any portion of a Scrip Dividend for which a Shareholder or Shareholders may make an election, the later of (i) the Ex-Date in relation to the relevant dividend or capitalisation, (ii) the last day on which the relevant election can be made by such Shareholder or Shareholders, and (iii) the date on which the number of Ordinary Shares, amount of cash, or amount of other property or assets, as the case may be, which may be issued or delivered is publicly announced; or
- (b) in respect of any portion of a Scrip Dividend which is not subject to such election, the later of (i) the Ex- Date in relation to the relevant dividend or capitalisation and (ii) the date on which the number of Ordinary Shares, amount of cash or amount of such other property or assets, as the case may be, to be issued and delivered is publicly announced.

“Securities” means any securities including, without limitation, Ordinary Shares and any other shares in the capital of the Company, and options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares or any other shares in the capital of the Company.

“Shareholders” means the holders of Ordinary Shares.

“Spin-Off” means:

- (a) a distribution of Spin-Off Securities by the Company to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted) by any entity (other than the Company) to Shareholders as a class pursuant in each case to any arrangements with the Company or any of its subsidiaries.

“Spin-Off Securities” means equity share capital of an entity other than the Company or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Company.

“Volume Weighted Average Price” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, on any dealing day, the volume weighted average price on such dealing day on the Relevant Stock Exchange of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (setting ‘Weighted Average Line’ or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the ‘DPDF Page’, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, or, as the case may be, Spin-Off Security on such Relevant Stock Exchange if any or, in any such case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day provided that:

- (a) if on any such dealing day (for the purposes of this definition, the **“Original Date”**) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day in respect thereof on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Volume Weighted Average Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the

case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Volume Weighted Average Price determined as aforesaid on or as at any dealing day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such dealing day.

2. Conversion Price Adjustment

2.1 Upon the occurrence of any of the events described below, the Conversion Price shall be adjusted as follows:

(a) *Consolidation, reclassification, redesignation or subdivision*

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision affecting the number of Ordinary Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and

B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(a), the date on which the consolidation, reclassification, redesignation or sub-division, as the case may be, takes effect.

(b) *Capitalisation of profits and reserves*

If and whenever the Company shall issue any Ordinary Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Ordinary Shares constituting a Scrip Dividend) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such issue; and

B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(b), the date the date of issue of such Ordinary Shares.

(c) *Dividends*

- (i) If and whenever the Company shall declare, announce, make or pay any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of such Dividend; and
- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Company or any subsidiary of the Company, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back.)

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(c)(i), the later of (i) the Ex-Date in respect of such Dividend and (ii) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

- (ii) For the purposes of the above, above, Fair Market Value shall (subject as provided in paragraph [(a)] of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Ex-Date in respect of the relevant Dividend.

(d) *Rights Issues*

If and whenever the Company or any subsidiary of the Company or (at the direction or request or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity shall issue Ordinary Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on such Ex-Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate;

provided that if on such Ex-Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph 2.1(d), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means in respect of this paragraph 2.1(d), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(d).

(e) *Issue of Securities to Shareholders*

If and whenever the Company or any subsidiary of the Company or (at the direction or request or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity shall (other than in the circumstances the subject of paragraph 2.1(d) and other than constituting a Scrip Dividend) issue any Securities to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant issue or grant; and
- B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, means, in respect of this paragraph 2.1(e), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(e).

(f) *Issue of Ordinary Shares at below Current Market Price*

If and whenever the Company shall issue (otherwise than as mentioned in paragraph 2.1(d) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Notes (or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire, Ordinary Shares and other than constituting a Scrip Dividend)) or if and whenever the Company or any subsidiary of the Company or (at the direction or request or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity shall issue or grant (otherwise than as mentioned in paragraph 2.1(d) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than the Notes), in each case at consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms of such issue of Ordinary Shares or issue or grant of options, warrants or other rights as provided above;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights;

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this paragraph 2.1(f), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph 2.1(f), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(f), the later of (i) the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or

rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(f).

(g) *Other issues*

If and whenever the Company or any subsidiary of the Company or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity shall (otherwise than as mentioned in paragraphs 2.1(d), 2.1(e) or 2.1(f) above) issue wholly for cash or for no consideration any Securities (other than the Notes and other than constituting a Scrip Dividend) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares, and the consideration per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition, reclassification or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation;

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this paragraph, the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this paragraph 2.1(g), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription,

purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(g), the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(g).

(h) *Modification of Rights*

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Notes) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms for such modification;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate

provided that if on the date of first public announcement of the terms of such modification (as used in this paragraph 2.1(h), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this paragraph 2.1(h), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(h), the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(h).

(i) *Certain Arrangements*

If and whenever the Company or any subsidiary of the Company or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Conversion Price falls to be adjusted under paragraphs 2.1(b), 2.1(c), 2.1(d), 2.1(e), 2.1(f) or 2.1(g) above) (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant day), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant offer; and

B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph 2.1(i), the later of (i) the Ex-Date in respect of the relevant offer and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph 2.1(i).

(j) *Other adjustments*

If the Company determines that an adjustment should be made to the Conversion Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in paragraph 2.1 (even if the relevant circumstance is specifically excluded from the operation of paragraphs 2.1(a) to 2.1(i) above), the Company shall, at its own expense and acting reasonably, request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this paragraph 2.1(j) if such Independent Adviser is so requested to make such a determination not more than twenty-one (21) days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

(k) *Modifications*

Notwithstanding the foregoing provisions:

- (i) where the events or circumstances giving rise to any adjustment pursuant to paragraph 2.1 have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of the Company a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined [in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result/with prior written Noteholder Approval];
- (ii) such modification shall be made to the operation of these paragraphs as may be determined in good faith by an Independent Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once provided that the Company procures that the Noteholders are notified in advance of any such modification by the Independent Adviser; and
- (iii) other than pursuant to paragraph 2.1(a), no adjustment shall be made that would result in an increase to the Conversion Price.

2.2 Calculation of consideration

For the purpose of any calculation of the consideration receivable or price pursuant to paragraphs 2.1(d), 2.1(f), 2.1(g) and 2.1(h), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (b) the (x) aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (y) aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Company to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in paragraph 2.1(d) or as at the relevant date of first public announcement referred to in paragraph 2.1(f), 2.1(g) or 2.1(h), as the case may be, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price

referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of paragraph 2.1(d)) or the relevant date of first public announcement (for the purposes of paragraph 2.1(f), 2.1(g) or 2.1(h), as the case may be);
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith;
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Company or another entity; and
- (f) if as part of the same transaction, Ordinary Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Ordinary Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Ordinary Shares so issued; and

references in these paragraphs to “cash” shall be construed as cash consideration within the meaning of Section 583(3) of the Companies Act 2006.

2.3 **Retroactive Adjustments**

If a Retroactive Adjustment occurs in relation to any conversion of Notes, the Company shall procure that there shall be issued or transferred and delivered to the relevant Noteholder, in accordance with the instructions contained in the relevant Conversion Notice, such additional number of Ordinary Shares (if any) (the “**Additional Ordinary Shares**”) as, together with the Ordinary Shares issued or transferred and delivered on the relevant Conversion Date, is equal to the number of Ordinary Shares which would have been required to be issued or transferred and delivered on such conversion if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, all as determined in good faith by the Independent Adviser, provided that if in the case of paragraph 2.1(b), 2.1(c), 2.1(d), 2.1(e) or 2.1(i) the relevant Noteholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect of the Conversion Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Noteholder shall not be entitled to receive Additional Ordinary Shares in relation thereto.

2.4 **Share or Option Schemes, Dividend Reinvestment Plans**

No adjustment will be made to the Conversion Price where Ordinary Shares or other Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted: (i) to, or for the benefit of, employees

or former employees (including directors holding or formerly holding executive office or non-executive office, consultants or former consultants, or the personal service company of any such person) or their spouses or relatives, in each case, of the Company or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to any share or option or incentive scheme or (ii) pursuant to any dividend reinvestment plan or similar plan or scheme.

2.5 **Rounding Down and Notice of Adjustment to the Conversion Price**

On any adjustment, the resultant Conversion Price, if not an integral multiple of £0.0001, shall be rounded down to the nearest whole multiple of £0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Company to Noteholders promptly after the determination thereof.

The Conversion Price shall not in any event be reduced to below the nominal or par value of the Ordinary Shares or be reduced so that on conversion of the Notes, Ordinary Shares would fall to be issued in circumstances not permitted by applicable laws or regulations.

2.6 **Independent Adviser**

Adjustments to the Conversion Price determined by the Independent Adviser, or an opinion of the Independent Adviser, pursuant to this Instrument shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Company and the Noteholders

The Independent Adviser may consult, at the expense of the Company, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Noteholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion.

The Independent Adviser appointed in connection with the Notes (acting in such capacity) will not thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Independent Adviser.

Schedule 4

Conversion Notice

Energiean Plc
Convertible Loan Notes

To: **Energiean Plc** (the “Company”)

44 Baker Street, London W1U 7AL

[●] (the “**Noteholder**”) being the registered holder of US\$[●] in principal amount of Convertible Loan Notes (the “**Notes**”) hereby gives notice of its desire to convert US\$[●] in principal amount of the Notes, being [all/part of] the Notes registered in the name of the Noteholder, into fully paid Ordinary Share of the Company, such shares to be issued pursuant hereto subject to the Memorandum and Articles of Association of the Company and on the terms of the Notes.

The Noteholder desires all of such Ordinary Shares to be registered in its name (or the name of its nominee) and hereby authorises [the entry of its name in the Register of Members in respect thereof and the despatch of a certificate in respect of the Ordinary Shares by ordinary post to [●] (or its nominee)] OR [the Company to allot the Ordinary Shares in uncertificated form and to be delivered to the following securities account [●]].

.....

Director

[Name of Noteholder]

In witness whereof this Instrument has been duly executed and delivered as a deed poll the date and year first above written:

Executed as a Deed
by **Energiean Plc**
acting by a director
in the presence of:



.....
Director

Witness



.....
Witness

.....
Witness Name:

Witness Occupation:

Witness Address: