

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your shares in Sterling Energy plc, you should pass this document to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



## STERLING ENERGY PLC

*(Incorporated in England and Wales with company number 01757721)*

### NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of Sterling Energy plc (the “**Company**”) will be held at the Company’s offices, High Holborn House, 52-54 High Holborn, London, WC1V 6RL, or such other venue as may be notified, on Thursday 25 June 2020 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9,10 and 11 will be proposed as special resolutions.

With consideration to the Government’s response to the COVID-19 pandemic, which includes banning all non-essential travel and gatherings of more than two people, the Company strongly encourages all Shareholders to submit their votes by appointing a proxy (by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions, using the CREST Proxy Voting Services (as applicable), or submitting a paper Form of Proxy if required) rather than attend the AGM in person. Shareholders are reminded that by attending the AGM they would potentially be in breach of the Government’s Stay-at-home measures in relation to the COVID-19 pandemic and will therefore, unfortunately, not be admitted to the meeting. Consequently, the Board anticipates that this year’s AGM will be purely functional in format to comply with the relevant legal requirements. The Company will ensure that the necessary quorum requirement is satisfied and that the resolutions set out in this Notice of AGM are proposed and voted upon. There will be no speeches, presentations or Q&A at the AGM and there will be no refreshments provided. An investor presentation will be made available on the Company’s website at [www.sterlingenergyuk.com](http://www.sterlingenergyuk.com) and if shareholders have any questions, they are invited to submit them by email to [info@sterlingenergyuk.com](mailto:info@sterlingenergyuk.com) by 11am on 23 June 2020 quoting their unique shareholder reference number/CREST ID and the Board will answer their questions via email.

Should the Stay-at-home measures be eased or lifted prior to the date of the AGM, the Company will notify Shareholders of any changes to the proposed format or location of the AGM via RNS. Should the government enact new legislation relating to Covid-19 and/or company annual general meetings the Company will seek to utilise any proposed changes to ensure the safety of all staff, officers and directors of the Company. Any change to the format, venue or other arrangements for the AGM will be notified to shareholders via RNS and on the Company’s website.

## ORDINARY RESOLUTIONS

1. To receive and adopt the annual accounts for the financial year ended 31 December 2019 (the “**Accounts**”), together with the reports of the directors of the Company (the “**Directors**”) and the Independent Auditors’ Report thereon.
2. To approve the Audit Committee Report contained in the Accounts, for the financial year ended 31 December 2019.
3. To re-appoint BDO LLP as auditors of the Company until the conclusion of the next Annual General Meeting of the Company.
4. To authorise the Directors to determine the remuneration of the Auditors.
5. That in accordance with article 106 of the Company’s Articles of Association, Michael Kroupeev be re-elected as a Director of the Company.
6. That in accordance with article 106 of the Company’s Articles of Association, Leo Koot be re-elected as a Director of the Company.
7. That in accordance with article 106 of the Company’s Articles of Association, Ilya Belyaev be re-elected as a Director of the Company.
8. THAT, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date of the passing of this Resolution, the Directors be and are hereby generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company on such terms and in such manner as they shall think fit:
  - a. up to a maximum aggregate nominal amount of £7,335,117; and
  - b. up to a further aggregate nominal amount of £7,335,117 in connection with an offer by way of a rights issue to ordinary shareholders in proportion (as nearly as may be) to their existing holdings, but subject to such exclusions or other arrangements in connection with the rights issue as the Directors deem necessary or expedient to deal with shares held in treasury, fractional entitlements to equity securities and to deal with any legal or practical problems or issues arising in any overseas territory or under the requirements of any regulatory body or stock exchange;

provided that this authority shall, unless renewed, varied or revoked by the Company, expire 15 months from the date of passing of this resolution or, if earlier, the date of the next Annual General Meeting of the Company, save that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

## SPECIAL RESOLUTIONS

9. THAT, subject to the passing of Resolution 8 and in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the Directors be and are hereby generally empowered to allot equity securities (within the meaning of section 560 of the Act) (including the grant of rights to subscribe for, or to convert any securities into equity securities) for cash either pursuant to the authority conferred on it by Resolution 8 or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that this authority shall be limited to:
- a. the allotment of equity securities for cash in connection with a rights issue, open offer or other pre-emptive offer to holders of Ordinary Shares on the register of members on a date fixed by the Board where the equity securities respectively attributable to the interests of all such holders of Ordinary Shares are proportionate (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on that date (subject to such exclusions or other arrangements in connection with the rights issue, open offer or other pre-emptive offer as the Directors deem necessary or expedient to deal with shares held in treasury, fractional entitlements to equity securities and to deal with any legal or practical problems or issues arising in any overseas territory or under the requirements of any regulatory body or stock exchange); and
  - b. the allotment of equity securities or the sale of treasury shares (otherwise than pursuant to sub-paragraph (a) of this resolution) up to a maximum aggregate nominal amount of £1,100,268;

provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the same time as the general authority conferred on the Company's directors by Resolution 8 expires, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

10. THAT, subject to the passing of Resolution 8 and in addition to the authority granted under Resolution 9, the Company's directors be empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the general authority conferred on them by Resolution 8, and/or sell Ordinary Shares held by the Company as treasury shares in each case as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be:
- a. limited to any such allotment of equity securities having, in the case of ordinary shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding the sum of £1,100,268; and
  - b. be used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Company's directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice;

provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the same time as the general authority conferred on the Company's directors by Resolution 8 expires, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

11. THAT, the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make market purchases (within the meaning of s.693 of the Act) of its ordinary shares of 10 pence each ('Ordinary Shares') provided that:

- a. the maximum number of Ordinary Shares authorised to be purchased is 22,005,352;
- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 10 pence (being the nominal value of an Ordinary Share);
- c. the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of:
  - (i) an amount equal to 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and
  - (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System (SETS); and
- d. this authority shall, unless previously renewed, revoked or varied, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling 15 months after the date of this resolution, except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry.

*Registered Office*

High Holborn House  
52-54 High Holborn  
London WC1V 6RL

22 May 2020

*By Order of the Board*

Sarah Jacobs  
On behalf of CFPro CoSec Limited  
Company Secretary

## **Explanatory Notes to the Resolutions**

The following explanatory information is provided by way of background to the business of the meeting:

### **Resolution 1**

The Directors have a duty to present (to shareholders in general meeting) the Accounts together with the reports of the Directors and the Independent Auditors' Report thereon.

### **Resolution 2**

This resolution is to approve the Audit Committee Report for the financial year ended 31 December 2019. You can find the Audit Committee Report within the Company's Accounts for the year ended 31 December 2019.

### **Resolutions 3 and 4**

These are resolutions proposing the re-appointment of BDO LLP as the Company's auditor and authorising the Directors to determine BDO's remuneration.

### **Resolutions 5, 6 and 7**

The re-election of Michael Kroupeev, Leo Koot and Ilya Belyaev as Directors of the Company as required by article 106 of the Company's Articles of Association which requires the regular submission of Directors to re-election by shareholders.

### **Resolution 8**

Resolution 8 is to give authority to the Directors to allot shares. At last year's Annual General Meeting, the Company gave authority to the Directors to allot shares and other securities up to a specified amount. The Directors propose to seek shareholder approval for this authority to be renewed at this year's AGM. Resolution 8 will, if approved, renew the Directors' authority to allot shares until 15 months from the date of passing of this resolution or, if earlier, the date of the next Annual General Meeting of the Company. Paragraph a. of this authority is restricted to the allotment of shares having an aggregate nominal value of up to £7,335,117 representing approximately one-third of the Company's issued ordinary share capital as at 6 p.m. on 7 May 2020.

In line with guidance issued by the Investment Association paragraph b. of Resolution 8 will give the Directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company in connection with a rights issue up to an aggregate nominal value of a further £7,335,117 representing approximately a further one-third of the Company's issued ordinary share capital as at 6 p.m. on 7 May 2020.

The Company does not currently hold any shares in treasury. The extent of the authority follows the guidelines issued by institutional investors. There are no present plans to allot shares, other than in respect of employee share schemes.

### **Resolution 9**

Resolution 9 is to dis-apply pre-emption rights. Section 561 of the Act gives all shareholders the right to participate on a pro rata basis in all issues of equity securities for cash, unless they agree that this right should be set aside. The effect of this resolution is to empower the Directors, until 15 months from the date of passing of this resolution or, if earlier, the date of the next Annual General Meeting of the Company, to allot equity securities for cash, without first offering them on a pro rata basis to existing shareholders, but only up to a maximum nominal amount of £1,100,268 representing approximately 5% of the Company's issued ordinary share capital as at 6 p.m. on 7 May 2020. In addition, the resolution empowers the Directors to deal with fractional entitlements and any practical problems arising in any overseas territory on any offer made on a pro rata basis. The Directors consider that it is appropriate for this authority and these powers to be granted to preserve flexibility for the future.

**Resolution 10**

The Directors are seeking authority under Resolution 10 to offer shares for cash otherwise than to existing shareholders pro rata to their holdings up to an aggregate nominal value of £1,100,268 which represents approximately 5% of the issued ordinary share capital of the Company as at 6 p.m. on 7 May 2020 being the latest practicable date prior to the publication of this Notice. This is in addition to the 5% referred to in Resolution 9. The power sought under this resolution will expire at the end of next year's Annual General Meeting or, if earlier, the close of business on the day 15 months after the date of the AGM.

This extra authority is being sought in accordance with the Pre-Emption Group's 2015 Statement of Principles (Statement of Principles). The Statement of Principles permits disapplication authorities of up to ten per cent. (10%) of issued ordinary share capital in total to be sought provided the extra 5% is used only in connection with the financing (or refinancing) of an acquisition or specified capital investment (as defined in the Statement of Principles). The Directors confirm that they intend to use the authority sought in Resolution 10 only in connection with such an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

**Resolution 11**

This Resolution 11 authorises the Board to make market purchases of up to 22,053,520 Ordinary Shares (representing approximately 10% of the Company's issued Ordinary Shares as at 6 p.m. on 7 May 2020, being the latest practicable date before publication of this notice). Shares so purchased may be cancelled or held as treasury shares. The authority will expire at the end of the next Annual General Meeting of the Company or 15 months from the passing of the resolution, whichever is the earlier.

The minimum price that can be paid for an Ordinary Share is 10p, being the nominal value of an Ordinary Share. The maximum price that can be paid is 5% over the average of the middle market prices for an Ordinary Share derived from the AIM Index of the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased OR the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System (SETS).

The Directors intend to exercise this right only when, in light of the market conditions prevailing at the time and taking into account all relevant factors, (for example, the effect on any earnings per share), they believe that such purchases are in the best interests of the Company and shareholders generally. The overall position of the Company will be taken into account before deciding upon this course of action. The decision as to whether any such shares bought back will be cancelled or held in treasury will be made by the Directors on the same basis at the time of the purchase.

The Directors do not have any present intention of exercising the authorities conferred by this resolution, but they consider it desirable that the authorities are in place so that they can more readily take advantage of any possible opportunities.

**Recommendation**

Your Directors believe that all the proposed resolutions to be considered at the 2020 Annual General Meeting as set out in this document are in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of them as they intend to do in respect of their own beneficial holdings.

## Notice of Meeting Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

### Right to attend and vote

1. Under the current Stay-at-home measures issued by the UK government Shareholders will not be admitted to the AGM and are unable to attend the AGM and are strongly encouraged to submit their votes by appointing a proxy following the procedure set out in these notes below. Should the government lift or ease the Stay-at-home measures such that attendance at the AGM would not be in breach of these measures then the Company will make such arrangements that would allow Shareholders to attend the AGM.
2. To be entitled to vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the Register of Members of the Company at close of trading on 23 June 2020. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
3. Should the government lift or ease the Stay-at-home measures and shareholders are then able to attend the AGM, Shareholders, or their proxies, intending to attend the Meeting in person are requested, if possible, to arrive at the Meeting venue at least 20 minutes prior to the commencement of the Meeting at 10.40 a.m. (UK time) on 25 June 2020 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.

### Appointment of proxies

4. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A Shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that Shareholder. A proxy does not need to be a shareholder of the Company but must attend the 2020 Annual General Meeting to represent you. Shareholders are reminded that if they appoint anyone, other than the Chairman of the meeting, that person will not be able to attend the meeting under the current Stay-at-home measures and their votes may not be counted. Therefore, Shareholders are recommended to appoint the Chairman of the meeting as their proxy.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will

vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

6. You can appoint a proxy to vote your shares either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions.
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
  - If you need help with voting online, or require a paper proxy form, please contact our Registrar, Link Asset Services, on 0371 664 0300. Calls from the UK will be charged at local rate. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales

In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services by 11:00 a.m. on 23 June 2020.

7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 10 below) will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so, subject to the government Stay-at-home measures.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11:00 am on 23 June 2020. For this purpose, the time of receipt will be taken to mean the time (as

determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **Joint Holders**

12. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).

#### **Corporate Representatives**

13. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares. Shareholders are reminded that if they appoint someone other than the Chairman of the meeting as a corporate representative, that person will not be able to attend the meeting under the current Stay-at-home measures.

#### **Issued Share Capital**

14. As at 7 May 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 220,053,520 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 7 May 2020 are 220,053,520.

#### **Members power to require website publication of audit concerns**

15. Under Section 527 of the Companies Act 2006, Shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the Shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

#### **Shareholder Questions**

16. Shareholders can submit questions by email ahead of the AGM by sending them to [info@sterlingenergyuk.com](mailto:info@sterlingenergyuk.com) and the Company will respond to those questions. The Company will respond to those questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

#### **Communication**

17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice can be found on the Company's website at [www.sterlingenergyuk.com](http://www.sterlingenergyuk.com)