

Notice of the 2024 Annual General Meeting of Pharos Energy plc

to be held at Storey Club, 100 Liverpool Street, London, EC2M 2AT
on 23 May 2024 at 2.00 p.m.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Pharos Energy plc, please pass this document together with the accompanying documents as soon as possible to the purchaser or transferee, or to the agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

PHAROS

E N E R G Y

Registered Office
Eastcastle House
27/28 Eastcastle Street
London
W1W 8DH
United Kingdom

Incorporated in England and Wales. Registered No. 3300821

Directors:

John Martin (Non-Executive Chair)
Jann Brown (Chief Executive Officer)
Sue Rivett (Chief Financial Officer)
Marianne Daryabegui (Non-Executive Director)
Geoffrey Green (Non-Executive Director and Senior Independent Director)
Dr Bill Higgs (Non-Executive Director)
Lisa Mitchell (Non-Executive Director)

19 April 2024

Dear Shareholder,

Pharos Energy plc (“the Company”)

Annual General Meeting (“AGM”)

I am pleased to invite shareholders to attend the Company’s 2024 Annual General Meeting. The meeting will be held at Storey Club, 100 Liverpool Street, London, EC2M 2AT on 23 May 2024 at 2.00 p.m.

We recognise that the AGM is an important event for shareholders in the corporate calendar, and we are committed to ensuring that shareholders can exercise their right to vote and ask questions in connection with this meeting. Accordingly, for those shareholders that do not wish to attend, or those that wish to attend and are unable to do so, questions in connection with the business of the AGM can be submitted on reasonable notice in advance of the meeting by email to info@pharos.energy. In so far as relevant to the business of the meeting questions will be responded to by email and taken into account as appropriate at the meeting itself.

Shareholder voting

Shareholders wishing to vote on any of the matters of business at the AGM are encouraged to submit their votes as soon as possible, and in any event no later than the relevant deadline, through the proxy and electronic voting facilities.

A Form of Proxy for use by shareholders in connection with the AGM has been sent to registered shareholders. You are requested to complete and return the Form of Proxy in accordance with its instructions so that it arrives no later than 2.00 p.m. on 21 May 2024. If you complete and return the Form of Proxy, you can still attend and vote at the AGM in person if you wish. Shareholders can also use the online voting and proxy appointment facility as detailed below.

Members may register their proxy appointments or vote electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Members will need the Voting ID, Task ID and Shareholder Reference Number set out on the Form of Proxy. Alternatively, if members are registered with the Equiniti online portfolio service ‘Shareview.co.uk’, they can vote by logging on with their usual user ID and password.

Once logged in simply click “View” on the “My Investments” page, click on the link to vote then follow the on-screen instructions. Members are advised to read the terms and conditions of use carefully.

Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged. The Company will not accept any communication that is found to contain a computer virus.

The Notice of Meeting follows in Appendix II to this letter and sets out the business to be transacted. An explanation of each of the resolutions also follows in Appendix I to this letter. Accompanying this letter is a copy of the Company’s Annual Report and Accounts for the year ended 31 December 2023.

Recommendation

Your Directors consider that the proposals outlined are in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors recommend that you vote in favour of all resolutions to be proposed at the AGM, as they intend to do so in respect of their own beneficial holdings, which amount to 2,986,368 ordinary shares representing approximately 0.71% of the current issued ordinary share capital of the Company (excluding treasury shares) on the date of this letter. In making their recommendation, each Director being proposed for re-election abstains in relation to the resolution for their own re-election.

Yours sincerely,



John Martin
Chair

Explanation of the resolutions to be proposed at the AGM**a. Resolution 1: To Receive the Annual Report and Accounts**

This resolution is to receive the Annual Report and Accounts for the year ended 31 December 2023, including the Strategic, Directors' and Auditor's Reports and the Directors' Remuneration Report ('the Report and Accounts'), accompanying this circular to shareholders.

b. Resolution 2: To Declare a Dividend

The Board has recommended a final dividend for the year ended 31 December 2023 of 0.77 pence per ordinary share, which amounts to approximately \$5.6m (applying the average GBP/USD rate of exchange for 2023) and which, if approved at the AGM, will be paid on 19 July 2024 to shareholders on the register at the close of business on 14 June 2024. The Company has already paid an interim dividend of 0.33 pence per ordinary share in respect of the same financial year. If this resolution is approved, this will take the total dividend for 2023 to 1.1 pence per ordinary share.

c. Resolution 3: Approval of the Directors' Remuneration Report

This resolution seeks, in accordance with section 439 of the Act, shareholder approval for the Directors' Remuneration Report (excluding the part containing the summary of the Directors' Remuneration Policy), which can be found on pages 126 to 142 (inclusive) of the Report and Accounts. The Directors' Remuneration Report gives details of the implementation of the current Directors' Remuneration Policy in connection with the performance of the Directors and that of the Company during the year ended 31 December 2023. This vote is advisory and will not affect the way in which the pay policy has been implemented and the Directors' entitlements to remuneration are not conditional upon the resolution being passed.

The Directors' Remuneration Policy summarised on pages 140 to 142 (inclusive) of the Report and Accounts was approved at the AGM in 2023 and remains in effect for up to three years from this date before it must be put back to shareholders. Accordingly, the Company will be required to propose a resolution to approve the Directors' Remuneration Policy no later than the AGM in 2026.

The Company's Auditor during the year, Deloitte LLP, have audited those parts of the Directors' Remuneration Report required to be audited and their report may be found on pages 149 to 157 of the Report and Accounts.

d. Resolutions 4, 5, 6, 7, 8 and 9: Reappointment of Directors

Resolutions 4-8 are for the reappointment as Directors of John Martin, Sue Rivett, Marianne Daryabegui, Geoffrey Green and Lisa Mitchell, each of whom will retire at this AGM as explained on page 119 of the Report and Accounts and are being proposed for reappointment.

As announced on 27 March 2024, Jann Brown will not be standing for reappointment and will step down from the Board on 30 April 2024.

Resolution 9 is for the reappointment of Dr Bill Higgs, who was appointed to the Board since the last AGM in 2023. Accordingly, he submits himself for reappointment by shareholders for the first time, in accordance with the Company's articles of association.

The reappointment of each Director is recommended by the Board in consideration of the results of their individual performance evaluation and demonstration of their continued commitment and effectiveness as confirmed by the Chair in respect of the Non-Executive Directors and by the Senior Independent Director in respect of the Chair. The Board also recommends the reappointment of Dr Bill Higgs taking into account his wealth of global exploration, development and operations experience with extensive expertise in all engineering and other technical and commercial aspects of hydrocarbon exploration, development and production. Dr Higgs is expected to add significant value to the business as it develops and implements its strategic objectives. Biographical details of all Directors are set out on pages 104 and 105 of the Report and Accounts.

e. Resolution 10: Appointment of Auditor

The Act requires that auditors be appointed at each general meeting at which accounts are laid to hold office until the next such meeting. The appointment of Deloitte LLP as Auditor of the Company terminates at the conclusion of the AGM following completion of their term in the role. As noted in the report of the Audit and Risk Committee in the Report and Accounts, the financial year ended 31 December 2023 was Deloitte LLP's final year as Auditor of the Company, under the Statutory Auditors and Third Country Auditors Regulations 2016. The tender process undertaken for the selection of their successor was set out in full in the 2022 Annual Report and Accounts. Following this tender process, the Board, on the recommendation of its Audit and Risk Committee, recommends the appointment of Ernst & Young LLP to replace Deloitte LLP as Auditor of the Company with effect from the end of this meeting.

Accordingly, resolution 10 proposes the appointment of Ernst & Young LLP as Auditor of the Company, to hold office from the conclusion of this AGM until the conclusion of the next AGM at which accounts are laid before the Company. The Audit and Risk Committee keeps under review the independence and objectivity of the external auditors and further information can be found in the Report and Accounts on page 125.

f. Resolution 11: Auditor's Remuneration

It is normal practice for shareholders to resolve at the AGM to authorise the Directors to determine the level of remuneration of the Auditor for the audit work to be carried out by them in the next financial year. The amount of the remuneration paid to the Auditor for the next financial year will be disclosed in the next audited accounts of the Company and this resolution proposes that such remuneration will be agreed by the Audit and Risk Committee on behalf of the Directors.

g. Resolution 12: Directors' Authority to Allot Securities

Your Directors may allot new shares, or grant rights to subscribe for or convert any security into shares in the Company, only if authorised to do so by shareholders. The Directors were so authorised at the Company's AGM in 2023, with such authorisation to expire at the conclusion of this AGM.

Resolution 12 will be proposed as an ordinary resolution to grant new authorities (in substitution for all existing authorities) to allot: (a) shares, or grant rights to subscribe for or convert any security into shares, up to an aggregate nominal amount of £7,009,598 (representing 140,191,960 ordinary shares of £0.05 each), and (b) equity securities up to an aggregate nominal amount of £7,009,598 (representing 140,191,960 ordinary shares of £0.05 each), where the allotment is in connection with a rights issue.

In accordance with guidance issued by the Investment Association, these amounts in aggregate represent approximately two thirds of the issued ordinary share capital of the Company (excluding 9,122,268 treasury shares of £0.05 each which represent 2.12% of the issued ordinary share capital) as at 18 April 2024, the latest practicable date prior to the publication of this Notice of Meeting. Of this amount, £7,009,598 (representing approximately one third of the Company's issued ordinary share capital excluding treasury shares) can only be allotted pursuant to a rights issue. If granted, these authorities will expire at the AGM in 2025 (or, if earlier, at the close of business on 30 June 2025). The Directors have no present intention of issuing shares pursuant to this authority, except under Resolution 12(a) to satisfy the exercise of options under the Company's employee share option schemes, but the Directors wish to ensure that the Company has maximum flexibility in managing the Company's capital resources.

h. Resolutions 13 and 14: Disapplication of Pre-emption Rights

Resolutions 13 and 14 seek to renew the existing authority from shareholders to the Directors to allot equity securities and/or sell treasury shares where they propose to do so for cash and otherwise than in accordance with the statutory pre-emption rights of shareholders. Under section 561(1) of the Act,

if the Directors wish to allot shares, or grant rights to subscribe for, or convert securities into shares, or sell treasury shares for cash (other than pursuant to an employee share scheme), the shares must first be offered to existing shareholders pro rata to their holdings. Resolutions 13 and 14 seek a limited waiver or disapplication of this requirement.

In line with institutional shareholder guidance and, in particular, in accordance with the Pre-Emption Group's Statement of Principles, as last updated in November 2022 (the 'Statement of Principles'), Resolutions 13 and 14 will be proposed as two separate special resolutions.

Resolution 13 is proposed in three parts.

The first part of Resolution 13 (paragraph (a)) is limited to the allotment of shares for cash on a pre-emptive basis to allow the Directors to make appropriate exclusions and other arrangements in connection with a rights issue, where application of section 561(1) of the Act could result in fractional entitlements to shares arising or require the issue of shares where this would be impractical because of legal or regulatory requirements in any given overseas jurisdiction.

The second part of Resolution 13 (paragraph (b)) is limited to the allotment of shares for cash (or, as the case may be, the sale of treasury shares for cash) up to an aggregate of 42,057,580 ordinary shares of £0.05 each. This number represents approximately 10% of the issued ordinary share capital of the Company (excluding treasury shares) as at 18 April 2024 (the latest practicable date prior to publication of this Notice of Meeting) and is in line with the Statement of Principles.

The third part of Resolution 13 (paragraph (c)) applies to the allotment of shares for cash (or, as the case may be, the sale of treasury shares for cash) for the purposes of a follow-on offer when an allotment of shares or sale of treasury shares has been made under the second part of Resolution 13 ("follow-on offer" having the meaning given to it in the Statement of Principles). The third part of Resolution 13 is limited to the allotment of shares (or, as the case may be, the sale of treasury shares) having an aggregate nominal value of up to 20% of the nominal value of any shares allotted or sold under the authority conferred by the second part of Resolution 13.

Resolution 14 is proposed in two parts.

The first part of Resolution 14 (paragraph (a)) is limited to the allotment of shares for cash (or, as the case may be, the sale of treasury shares for cash) up to an additional 42,057,580 ordinary shares of £0.05 each. This number represents approximately 10% of the issued ordinary share capital of the Company (excluding treasury shares) as at 18 April 2024 (the latest practicable date prior to publication of this Notice of Meeting). Consistent with the Statement of Principles, this authority may only be used in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or sale, or which has taken place in the preceding twelve-month period and is disclosed in the announcement of the allotment or sale.

The second part of Resolution 14 (paragraph (b)) applies to the allotment of shares for cash (or, as the case may be, the sale of treasury shares for cash) for the purposes of a follow-on offer when an allotment of shares or sale of treasury shares has been made under the first part of Resolution 14. The second part of Resolution 14 is limited to the allotment of shares (or, as the case may be, the sale of treasury shares) having an aggregate nominal value of up to 20% of the nominal value of any shares allotted or sold under the authority conferred by the first part of Resolution 14.

In exercising the authorities conferred by the second or third parts of Resolution 13, or the first or second parts of Resolution 14, the Directors intend to adhere to the shareholder protections and other provisions set out in the Statement of Principles.

The Directors have no present intention to exercise the authorities conferred by Resolutions 13 and 14, if passed. However, the Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders.

Furthermore, if any of the authorities are exercised, the Company will publish in the next Annual Report and Accounts:

- The actual level of discount achieved;
- The net proceeds raised;
- How those net proceeds were used; and
- The percentage increase in issued ordinary share capital due to non-pre-emptive issuance for cash over the three-year period preceding the issue.

If granted, the authorities contained in Resolutions 13 and 14 will expire at the conclusion of the AGM in 2025, (or, if earlier, at the close of business on 30 June 2025) unless previously renewed, varied or revoked by the Company in general meeting.

i. Resolution 15: Authority for the Company to Buy Back Shares

This resolution will give the Company authority to purchase its own shares in the market up to a limit of 10% of its issued ordinary share capital (excluding treasury shares) at 18 April 2024, the latest practicable date prior to the publication of this Notice of Meeting. The maximum and minimum prices, exclusive of expenses, are stated in the resolution.

Your Directors believe that it is advantageous for the Company to have this flexibility to make market purchases of its own shares. As announced on 6 December 2023, the Company has committed up to a further US\$3 million (net of expenses) to its current on-market share repurchase programme and, subject to the passing of this resolution, it intends to continue this programme. Other than the continuation of the programme, the Directors have no present intention for the Company to exercise the authority granted by this resolution, and will exercise this authority only if they are satisfied that a purchase would result in an increase in expected earnings per share and would be in the interests of shareholders generally.

Shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Company will consider holding repurchased shares pursuant to the authority as treasury shares. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base. Any issues of treasury shares for the purposes of the Company's employee share schemes will be made within the 10% anti-dilution limit set by the Investment Association.

As at 18 April 2024 (the last practicable date prior to publication of this Notice of Meeting), the total number of options over ordinary shares of £0.05 each that were outstanding under all of the Company's share option plans was 24,758,675, which if exercised would represent 5.89% of the Company's issued ordinary share capital at that date (excluding treasury shares). In practice it is anticipated that 2,126,857 options would be satisfied by shares currently held, or purchased by, the employee benefit trust. If the Company were to purchase its own shares to the fullest possible extent of its authorities (both existing and being sought) from shareholders, this number of outstanding options could potentially represent 7.16% of the issued ordinary share capital of the Company (excluding treasury shares) as at that date.

j. Resolution 16: Notice Period for General Meetings

Under the Act all listed company general meetings must be held on at least 21 clear days' notice, but companies may reduce this period to 14 days (other than for AGMs) if shareholders agree to a shorter notice period and the company has met certain requirements for electronic voting. Resolution 16 is therefore being proposed as a special resolution to renew the authority granted by shareholders at last year's AGM which permitted the Company to call general meetings, other than AGMs, on 14 clear days' notice. If the resolution is passed, the authority conferred would be effective until the Company's next AGM, when it is intended that the approval be renewed. The shorter period would not be used as a matter of routine for general meetings, but only where flexibility is merited by the business of the meeting or is considered by the Directors to be in the interests of shareholders taken as a whole. In order to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

APPENDIX II

Notice of Meeting

PHAROS ENERGY PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of Pharos Energy plc will be held at Storey Club, 100 Liverpool Street, London, EC2M 2AT on 23 May 2024 at 2.00 p.m.

Resolutions 1 to 12 (inclusive) will be proposed as Ordinary Resolutions and Resolutions 13 to 16 (inclusive) will be proposed as Special Resolutions.

Agenda

1. To receive the Annual Report and Accounts for the financial year ended 31 December 2023, together with the reports of the Directors and Auditor.
2. That, upon the recommendation of the Directors, a final dividend for the year ended 31 December 2023 of 0.77 pence per ordinary share, be declared payable on 19 July 2024 to shareholders whose names appear on the register of members of the Company at the close of business on 14 June 2024.
3. To receive and approve the Directors' Remuneration Report (excluding the part containing the summary of the Directors' Remuneration Policy) as set out on pages 126 to 142 (inclusive) of the Annual Report and Accounts for the financial year ended 31 December 2023.
4. To reappoint John Martin, who is Chair of the Nominations and ESG Committees, as a Director.
5. To reappoint Sue Rivett, who is a member of the ESG Committee, as a Director.
6. To reappoint Marianne Daryabegui, who is a member of the Audit and Risk, ESG, Nominations and Remuneration Committees, as a Director.
7. To reappoint Geoffrey Green, who is Chair of the Remuneration Committee and a member of the Audit and Risk, ESG and Nominations Committees, as a Director.
8. To reappoint Lisa Mitchell, who is Chair of the Audit and Risk Committee and a member of the ESG, Nominations and Remuneration Committees, as a Director.
9. To reappoint Dr Bill Higgs, who is a member of the ESG Committee, as a Director.
10. To appoint Ernst & Young LLP as Auditor to hold office from the conclusion of this AGM until the conclusion of the next AGM at which the accounts are laid before the Company.
11. To authorise the Audit and Risk Committee, for and on behalf of the Directors, to agree the Auditor's remuneration.
12. That, in substitution for all existing and previously unexercised authorities, the Directors be generally and unconditionally authorised 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 grant rights to subscribe for, or convert any security into, shares in the Company:
 - a. Up to an aggregate nominal amount of £7,009,598; and
 - b. Comprising equity securities (as defined in section 560(1) of the Act) up to a further aggregate nominal amount of £7,009,598 in connection with an offer by way of a rights issue,

such authorities to expire at the conclusion of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2025), unless previously renewed, varied or revoked by the Company in general meeting, save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security in shares to be granted, after such expiry, and the Directors may allot shares, or grant such rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired.

For the purposes of this Resolution 12 "rights issue" means an offer to:

- i. ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- ii. holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, including an offer to which the Directors may impose any limits or restrictions or make any other arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange, or any other matter whatsoever.

13. That, in substitution for all existing and previously unexercised authorities and if Resolution 12 is passed, the Directors be authorised to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:
 - a. The allotment of equity securities and/or sale of treasury shares for cash in connection with or pursuant to an offer of, or invitation to acquire, equity securities (but in the case of the authorisation granted under Resolution 12(b) by way of a rights issue only);
 - i. To holders of ordinary shares in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale; and
 - ii. To holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose such exclusions or other arrangements as they consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory, or any other matter whatsoever; and

- b. The allotment of equity securities or sale of treasury shares (otherwise than under paragraph 13(a) above) up to a nominal amount of £2,102,879; and

- c. The allotment of equity securities pursuant to the authority granted by Resolution 12(a) and/or sale of treasury shares (otherwise than under paragraph 13(a) or (b) above up to an aggregate nominal amount of £420,576 equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph 13(b) above, such authority be used for only the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2025) unless previously renewed, varied or revoked by the Company in general meeting, but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Company may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the authority had not expired. For the purpose of this Resolution 13, “rights issue” has the same meaning as in Resolution 12 above.

14. That, if Resolution 12 is passed, the Directors be authorised, in addition to any authority granted under Resolution 13, to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by Resolution 12 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:

- a. the allotment of equity securities and/or sale of treasury shares up to an aggregate nominal amount of £2,102,879, such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the 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; and
- b. the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 14(a) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph 14(a) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2025) unless previously renewed, varied or revoked by the Company in general meeting, but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the authority had not expired.

15. That, in substitution for all existing and previously unexercised authorities, the Company is generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares on such terms and in such manner as the Directors may from time to time determine, and where such shares are held as treasury shares the Company may use them for the purposes of its employee share schemes, provided that:

- a. The maximum number of ordinary shares which may be purchased is 42,057,580 ordinary shares of £0.05 each representing approximately 10% of the Company’s issued ordinary share capital (excluding treasury shares) as at 18 April 2024 (the latest practicable date prior to publication of this Notice of Meeting).
- b. The minimum price that may be paid for each ordinary share, exclusive of expenses, is the nominal amount of such share, and the maximum price that may be paid for each ordinary share, exclusive of expenses, is the highest of:
- i. An amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which such share is contracted to be purchased; and
- ii. The higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out; and
- c. This authority shall expire at the conclusion of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2025) unless previously renewed, varied or revoked by the Company in general meeting, and the Company may, before this authority expires, make a contract to purchase ordinary shares that will or may be executed or completed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares pursuant to it as if this authority had not expired.

16. That a general meeting of the Company (other than an AGM) may be called on not less than 14 clear days’ notice.

By order of the Board

Tony Hunter
Company Secretary
19 April 2024

Registered Office:

Eastcastle House, 27/28 Eastcastle Street, London W1W 8DH
United Kingdom
Registered in England No. 3300821

NOTES

1. Proxies

Only holders of shares and their proxies or duly appointed corporate representatives are entitled to attend and vote at the AGM.

A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the meeting. A member 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 share or shares held by him. A proxy need not be a member of the Company.

A Form of Proxy has been sent to registered shareholders and instructions for completion are shown on the form. To be valid, Forms of Proxy appointing the Chair of the meeting as a proxy need to be deposited at the office of the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not later than 2.00 p.m. on 21 May 2024. We encourage you, where possible, to submit your Form of Proxy appointing the Chair of the meeting as proxy electronically in the event that there are delays in or suspension of the postal service.

If you wish to register your proxy appointments or vote electronically via the www.sharevote.co.uk website, see Note 2 below. If you are a CREST member and wish to register the appointment of a proxy by using the CREST electronic proxy appointment service, see Note 3 below.

2. Online voting

Members may register their proxy appointments or vote electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Members will need the Voting ID, Task ID and Shareholder Reference Number set out on the Form of Proxy.

A Form of Proxy lodged electronically will be invalid unless it is lodged at the electronic address specified in this Note 2 no later than 2.00 p.m. on 21 May 2024.

Alternatively, if members are registered with the Equiniti online portfolio service www.shareview.co.uk, they can vote by logging on with their usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions.

Members are advised to read the terms and conditions of use carefully.

Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged. The Company will not accept any communication that is found to contain a computer virus.

3. CREST Proxy instructions

If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures described in the CREST Manual, subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting 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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK and Ireland specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 2.00 p.m. on 21 May 2024.

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications 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.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland (formerly CRESTCo) does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(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 service provider(s) 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.

4. Documents on display

Copies of the Executive Directors' service agreements and the terms and conditions of appointment of Non-Executive Directors are available for inspection by prior appointment from the date of this Notice of Meeting until the close of the AGM. Please contact the Company Secretary at info@pharos.energy to arrange.

5. Right to attend and vote

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.30 p.m. on 21 May 2024 or, in the event of any adjournment, at 6.30 p.m. on the date which is two days (excluding non-working days) before the day of the adjourned meeting.

Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

6. Corporate members

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

7. Nominated persons

Any person to whom this Notice of Meeting is sent who is a person nominated under section 146 of the Companies Act 2006 ('the Act') to enjoy information rights (a 'Nominated Person') may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statements in these notes of the rights of members in relation to the appointment of proxies do not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

8. Questions

Any member attending the AGM has the right to ask questions relating to the business being dealt with at the meeting. 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 and/or inside information;
- b. The answer or an answer to a similar question or on a similar theme 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.

9. Website

A copy of this notice, and other information required by section 311A of the Act, can be found at <http://www.pharos.energy>.

10. Website publication of audit concerns

Under section 527 of the Act, members 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:

- a. The audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or
- b. Any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act (in each case) that the members propose to raise at the AGM.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

11. Total number of shares and voting rights

As at 18 April 2024 (being the last practicable date prior to the publication of this Notice of Meeting) the Company's issued ordinary share capital comprises 429,698,165 ordinary shares of £0.05, including 9,122,268 shares in treasury, each such share carrying one vote (other than the ordinary shares held in treasury).

Therefore, the total voting rights in the Company as at that date are 420,575,897.

12. Communication

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

13. Contact through Investment Manager

If you have been nominated to receive general shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains as it was (i.e. the registered shareholder, or perhaps custodian or broker, who administers the investment on your behalf). Therefore, any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Act, writes to you directly for a response.

14. Publication of results of voting

As soon as practicable after the AGM the results of voting at the meeting will be announced via a regulated information service and made available on the Company's website at <http://www.pharos.energy>.

15. Use of data

The AGM may involve the processing of members' personal data by the Company. This includes all data provided by members, or on their behalf, that relates to their capacity as a member, including names and contact details, votes cast and Shareholder Reference Number. The Company and any third party to which it discloses member's personal data (including its registrar and other professional advisers) may process your personal data for the purposes of compiling and updating the Company's records and fulfilling the Company's legal obligations.

