

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a supplementary prospectus relating to Tufton Oceanic Assets Limited (the "**Company**") prepared in accordance with the prospectus rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA (the "**Supplementary Prospectus**"). This Supplementary Prospectus has been approved by the FCA and has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus published by the Company on 25 September 2018 relating to a Placing Programme of 200 million Ordinary Shares and/or 200 million C Shares (the "**Prospectus**"). Except as expressly stated herein, or unless the context otherwise requires, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

The Company and each of the Directors, whose names appear on page 9 of this Supplementary Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

TUFTON OCEANIC ASSETS LIMITED

(a closed-ended investment company limited by shares incorporated under the laws of Guernsey with registered number 63061)

SUPPLEMENTARY PROSPECTUS

Placing Programme of 200 million Ordinary Shares and/or 200 million C Shares

Investment Manager

Tufton Oceanic Ltd.

Joint Placing Agents and Financial Advisers

Nplus1 Singer Advisory LLP

Hudnall Capital LLP

Nplus1 Singer Advisory LLP ("**N+1 Singer**"), which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no-one else in connection with the Placing Programme and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the Placing Programme. N+1 Singer is not responsible for the contents of this document. This does not limit or exclude any responsibilities which N+1 Singer may have under FSMA or the regulatory regime established thereunder.

Hudnall Capital LLP ("**Hudnall**"), which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no-one else in connection with the Placing Programme and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the Placing Programme. Hudnall is not responsible for the contents of this document. This does not limit or exclude any responsibilities which Hudnall may have under FSMA or the regulatory regime established thereunder.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities or regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act). There will be no public offer of the Shares in the United States. The Shares are being offered or sold only outside the United States to non U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**") and investors will not be entitled to the benefits of the U.S. Investment Company Act. Neither this Supplementary Prospectus, nor the Prospectus, should be distributed into the United States or to U.S. Persons. The distribution of this Supplementary Prospectus or the Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Supplementary Prospectus or the Prospectus comes should inform themselves of and observe any restrictions.

Neither the U.S. Securities and Exchange Commission (the "**SEC**") nor any state securities commission has approved or disapproved of the Shares or passed upon the adequacy or accuracy of this Supplementary Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Supplementary Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager, the Asset Manager, Hudnall or N+1 Singer. The offer and sale of Shares has not been and will not be registered under the applicable securities law of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of Canada, Japan, Australia or the Republic of South Africa.

The Company is a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Schemes Rules 2015 as issued by the Guernsey Financial Services Commission (the "**GFSC**"). The GFSC takes no responsibility for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

This Supplementary Prospectus has not been reviewed by the GFSC and, in granting registration, the GFSC has relied upon specific warranties provided by the Administrator.

Dated: 18 September 2019

1 INTRODUCTION

This Supplementary Prospectus is a regulatory requirement under the Prospectus Rules and section 87G of FSMA following the publication of the Company's annual report and audited financial statements for the financial year ended 30 June 2019. This Supplementary Prospectus contains further details of this significant new factor and is supplemental to, and should be read in conjunction with, the Prospectus published on 25 September 2018.

This Supplementary Prospectus has been approved for publication by the FCA.

2 FINANCIAL INFORMATION ON THE COMPANY

2.1 Annual Report and audited financial statements for the financial year ended 30 June 2019

On 11 September 2019, the Company published its annual report and audited financial statements for the financial year ended 30 June 2019 (the "**2019 Report and Accounts**"). The 2019 Report and Accounts were prepared in accordance with IFRS.

By virtue of this Supplementary Prospectus, the 2019 Report and Accounts are incorporated into, and form part of, the Prospectus. The non-incorporated parts of the 2019 Report and Accounts are either not relevant to investors or are covered elsewhere in the Prospectus.

2.2 Information incorporated by reference

The information set out below and relating to the Company is included in the 2019 Report and Accounts and is available online at <http://www.tuftonoceanicassets.com/financial-statements/> and www.morningstar.co.uk/uk/nsm and is expressly incorporated by reference into this Supplementary Prospectus and the Prospectus:

<i>Nature of information</i>	<i>Page references in the Annual Report</i>
Highlights	2
Chairman's Statement	3
Corporate Summary	5
Strategic Report	6
Investment Manager's Report	11
Principal and Emerging Risks and Uncertainties	16
Corporate Governance Statement	18
Statement of Directors' Responsibilities	21
Report of Directors	23
Audit Committee Report	32
Independent Auditor's Report	35
Statement of Comprehensive Income	44
Statement of Financial Position	45
Statement of Changes in Equity	46

Nature of information**Page references in the Annual Report**

Statement of Cash Flows	47
Notes to the Financial Statements	48
Corporate Information	73

2.3 Selected financial information

The key audited figures that summarise the financial condition of the Company in respect of the financial year ended 30 June 2019, which have been extracted without material adjustment from the historical information referred to above, are set out in the following table:

Statement of Comprehensive Income

	2019 US\$	6 February 2017 to 30 June 2018 US\$
Income		
Net changes in fair value of Financial Assets designated at fair value through profit and loss	17,776,829	3,482,168
Total net income	<u>17,776,829</u>	<u>3,482,168</u>
Expenditure		
Aborted deal costs	(21,293)	-
Administration fees	(120,680)	(41,949)
Audit fees	(91,358)	(79,700)
Corporate Broker fees	(130,511)	(41,150)
Directors' fees	(109,264)	(84,769)
Foreign exchange loss	(2,507)	(3,099)
Insurance fee	(62,803)	(36,226)
Investment management fee	(1,294,621)	(206,140)
Professional fees	(48,753)	(16,022)
Sundry expenses	(48,870)	(4,867)
Total expenses	<u>(1,930,660)</u>	<u>(514,282)</u>
Operating profit	<u>15,846,169</u>	<u>2,967,886</u>
Finance income	574,331	315,557
Profit and comprehensive income for the year	<u>16,420,500</u>	<u>3,283,443</u>
IFRS Earnings per ordinary share (cents)	<u>11.94</u>	<u>3.61</u>
Adjusted Earnings per ordinary share (cents)	<u>10.00</u>	<u>3.61</u>

Statement of financial position

	2019 US\$	2018 US\$
Non-current assets		
Financial assets designated at fair value through profit and loss (Investment)	220,998,073	49,622,259
Total non-current assets	<u>220,998,073</u>	<u>49,622,259</u>
Current assets		
Trade and other receivables	32,248	34,796
Cash and cash equivalents	5,500,139	43,030,736
Total current assets	<u>5,532,387</u>	<u>43,065,532</u>
Total assets	<u>226,530,460</u>	<u>92,687,791</u>
Current liabilities		
Trade and other payables	687,781	224,348
Total current liabilities	<u>687,781</u>	<u>224,348</u>
Net assets	<u>225,842,679</u>	<u>92,463,443</u>
Equity		
Share capital	215,012,016	89,180,000
Retained reserves	10,830,663	3,283,443
Total equity attributable to ordinary shareholders	<u>225,842,679</u>	<u>92,463,443</u>
Net assets per ordinary share (cents)	<u>100.53</u>	<u>101.61</u>

3 NO SIGNIFICANT CHANGE

3.1 Save as set out below, there has been no significant change to the financial or trading position of the Company since 30 June 2019, being the last date to which the Company has published financial information:

- (a) on 1 July 2019, the Company agreed to acquire an asset for US\$23.6 million, and committed to invest a further US\$4.7 million upgrading the vessel under the terms of its charter; and
- (b) on 29 July 2019, the Company declared a dividend of US\$0.0175 per Ordinary Share for the quarter ending 30 June 2019.

4 SUMMARY

As a result of the publication of the 2019 Report and Accounts, the summary document which forms part of the Prospectus is hereby supplemented as follows:

Summary reference	Summary reference title	Updated information																																																															
B.7.	Key financial information	<p>The key audited figures that summarise the financial condition of the Company in respect of the financial year ended 30 June 2019, which have been extracted without material adjustment from the financial statements of the Company, are set out in the following table. Investors should read the whole of any such report and not rely solely on the key or summarised information set out below:</p> <p>Statement of Consolidated Income</p> <table> <tr> <th></th><th>2019 US\$</th><th>6 February 2017 to 30 June 2018 US\$</th></tr> <tr> <td>Income</td><td></td><td></td></tr> <tr> <td>Net changes in fair value of Financial Assets designated at fair value through profit and loss</td><td>17,776,829</td><td>3,482,168</td></tr> <tr> <td>Total net income</td><td><u>17,776,829</u></td><td><u>3,482,168</u></td></tr> <tr> <td>Expenditure</td><td></td><td></td></tr> <tr> <td>Aborted deal costs</td><td>(21,293)</td><td>-</td></tr> <tr> <td>Administration fees</td><td>(120,680)</td><td>(41,949)</td></tr> <tr> <td>Audit fees</td><td>(91,358)</td><td>(79,700)</td></tr> <tr> <td>Corporate Broker fees</td><td>(130,511)</td><td>(41,150)</td></tr> <tr> <td>Directors' fees</td><td>(109,264)</td><td>(84,769)</td></tr> <tr> <td>Foreign exchange loss</td><td>(2,507)</td><td>(3,099)</td></tr> <tr> <td>Insurance fee</td><td>(62,803)</td><td>(36,226)</td></tr> <tr> <td>Investment management fee</td><td>(1,294,621)</td><td>(206,140)</td></tr> <tr> <td>Professional fees</td><td>(48,753)</td><td>(16,022)</td></tr> <tr> <td>Sundry expenses</td><td>(48,870)</td><td>(4,867)</td></tr> <tr> <td>Total expenses</td><td><u>(1,930,660)</u></td><td><u>(514,282)</u></td></tr> <tr> <td>Operating profit</td><td><u>15,846,169</u></td><td><u>2,967,886</u></td></tr> <tr> <td>Finance income</td><td>574,331</td><td>315,557</td></tr> <tr> <td>Profit and comprehensive income for the year</td><td><u>16,420,500</u></td><td><u>3,283,443</u></td></tr> <tr> <td>IFRS Earnings per ordinary share (cents)</td><td><u>11.94</u></td><td><u>3.61</u></td></tr> <tr> <td>Adjusted Earnings per ordinary share (cents)</td><td><u>10.00</u></td><td><u>3.61</u></td></tr> </table>		2019 US\$	6 February 2017 to 30 June 2018 US\$	Income			Net changes in fair value of Financial Assets designated at fair value through profit and loss	17,776,829	3,482,168	Total net income	<u>17,776,829</u>	<u>3,482,168</u>	Expenditure			Aborted deal costs	(21,293)	-	Administration fees	(120,680)	(41,949)	Audit fees	(91,358)	(79,700)	Corporate Broker fees	(130,511)	(41,150)	Directors' fees	(109,264)	(84,769)	Foreign exchange loss	(2,507)	(3,099)	Insurance fee	(62,803)	(36,226)	Investment management fee	(1,294,621)	(206,140)	Professional fees	(48,753)	(16,022)	Sundry expenses	(48,870)	(4,867)	Total expenses	<u>(1,930,660)</u>	<u>(514,282)</u>	Operating profit	<u>15,846,169</u>	<u>2,967,886</u>	Finance income	574,331	315,557	Profit and comprehensive income for the year	<u>16,420,500</u>	<u>3,283,443</u>	IFRS Earnings per ordinary share (cents)	<u>11.94</u>	<u>3.61</u>	Adjusted Earnings per ordinary share (cents)	<u>10.00</u>	<u>3.61</u>
	2019 US\$	6 February 2017 to 30 June 2018 US\$																																																															
Income																																																																	
Net changes in fair value of Financial Assets designated at fair value through profit and loss	17,776,829	3,482,168																																																															
Total net income	<u>17,776,829</u>	<u>3,482,168</u>																																																															
Expenditure																																																																	
Aborted deal costs	(21,293)	-																																																															
Administration fees	(120,680)	(41,949)																																																															
Audit fees	(91,358)	(79,700)																																																															
Corporate Broker fees	(130,511)	(41,150)																																																															
Directors' fees	(109,264)	(84,769)																																																															
Foreign exchange loss	(2,507)	(3,099)																																																															
Insurance fee	(62,803)	(36,226)																																																															
Investment management fee	(1,294,621)	(206,140)																																																															
Professional fees	(48,753)	(16,022)																																																															
Sundry expenses	(48,870)	(4,867)																																																															
Total expenses	<u>(1,930,660)</u>	<u>(514,282)</u>																																																															
Operating profit	<u>15,846,169</u>	<u>2,967,886</u>																																																															
Finance income	574,331	315,557																																																															
Profit and comprehensive income for the year	<u>16,420,500</u>	<u>3,283,443</u>																																																															
IFRS Earnings per ordinary share (cents)	<u>11.94</u>	<u>3.61</u>																																																															
Adjusted Earnings per ordinary share (cents)	<u>10.00</u>	<u>3.61</u>																																																															

Statement of financial position		2019 US\$	2018 US\$
Non-current assets			
Financial assets designated at fair value through profit and loss (Investment)		220,998,073	49,622,259
Total non-current assets		<u>220,998,073</u>	<u>49,622,259</u>
Current assets			
Trade and other receivables		32,248	34,796
Cash and cash equivalents		5,500,139	43,030,736
Total current assets		<u>5,532,387</u>	<u>43,065,532</u>
Total assets		<u>226,530,460</u>	<u>92,687,791</u>
Current liabilities			
Trade and other payables		687,781	224,348
Total current liabilities		<u>687,781</u>	<u>224,348</u>
Net assets		<u>225,842,679</u>	<u>92,463,443</u>
Equity			
Share capital		215,012,016	89,180,000
Retained reserves		10,830,663	3,283,443
Total equity attributable to ordinary shareholders		<u>225,842,679</u>	<u>92,463,443</u>
Net assets per ordinary share (cents)		<u>100.53</u>	<u>101.61</u>
In addition to information previously disclosed in the Prospectus, since the date of the Prospectus:			
(a) on 23 October 2018 the Company acquired the remaining 25% interest in an asset for US\$7.25 million;			
(b) on 25 October 2018 the Company declared a dividend of US\$0.0175 per Ordinary Share for the quarter ending 30 September 2018;			
(c) on 23 November 2018 the Company acquired an asset for US\$13 million;			
(d) on 11 December 2018 the Company acquired two assets for an aggregate value of US\$36 million;			
(e) on 24 December 2018 the Company acquired an asset for US\$12.2 million;			
(f) on 31 January 2019 the Company declared a dividend of US\$0.0175 per Ordinary Share and US\$0.0050 per C			

		<p>Share for the quarter ending 31 December 2018;</p> <p>(g) On 31 January 2019, the C Shares in issue were converted into Ordinary Shares on the basis of 1,079 Ordinary Shares for every 1,000 C Shares, effective 12 February 2019;</p> <p>(h) on 21 February 2019 the Company acquired an asset for US\$6.75 million;</p> <p>(i) on 11 March 2019 the Company allotted and issued 49,019,608 Ordinary Shares raising gross proceeds of US\$50 million;</p> <p>(j) on 3 April 2019 the Company acquired two assets for an aggregate value of US\$13.15 million;</p> <p>(k) on 25 April 2019 the Company declared a dividend of US\$0.0175 per Ordinary Share for the quarter ended 31 March 2019;</p> <p>(l) on 1 July 2019 the Company agreed to acquire an asset for US\$23.6 million, and committed to invest a further US\$4.7 million upgrading the vessel under the terms of its charter; and</p> <p>(m) on 29 July 2019 the Company declared a dividend of US\$0.0175 per Ordinary Share for the quarter ending 30 June 2019.</p> <p>Save to the extent disclosed above, and in the Prospectus, there has been no significant change to the financial condition or operating results of the Company during or subsequent to the periods covered by the historical financial information set out above and since 30 June 2019 (being the end of the last financial period of the Company for which financial information has been published).</p>
--	--	--

5 ADDITIONAL INFORMATION

5.1 Withdrawal Rights

In accordance with section 87Q(4) of FSMA, where a supplementary prospectus has been published and, prior to the publication, a person agreed to buy or subscribe for transferable securities to which it relates, he may withdraw his acceptance before the end of the period of two working days beginning with the first working day after the date on which the supplementary prospectus was published.

5.2 Documents available for inspection

Copies of this Supplementary Prospectus and the 2019 Report and Accounts are available for inspection on the Company's website at <http://www.tuftonoceanicassets.com/financial-statements/>

A copy of the Supplementary Prospectus and the 2019 Report and Accounts will be available for inspection at the registered office of the Company and the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU during normal business hours on any

weekday (Saturdays, Sundays and public holidays excepted) from the date of this Supplementary Prospectus until Admission.

The Company's registered office is at 3rd Floor, 1 Le Truchot, St Peter Port, Guernsey, GY1 1WD.

5.3 **General**

To the extent that there is any inconsistency between any statement in or incorporated by reference in this Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.

Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

The Directors, whose names appear below, and the Company accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Directors:

Robert King (Chairman)
Stephen Le Page
Paul Barnes