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If you have sold or transferred all of your Ordinary Shares, you should send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold part only of your holding of Ordinary Shares, you should retain these documents.



HAGUE AND LONDON OIL PLC

(Registered in England and Wales under the Companies Act 2006 with registered number 03793723)

Proposed acquisition of Tullow 101 Netherlands B.V.

and

Notice of General Meeting

A notice convening a General Meeting of the Company to be held at 3.00 p.m. (CET) on Wednesday 1 November 2017 at The World Trade Centre, Prinses Margrietplantsoen 33 2595 AM The Hague, Netherlands is set out at the end of this document. To be valid the Form of Proxy accompanying this document must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars as soon as possible but, in any event, not later than 2.00 p.m. (GMT) on Monday 30 October 2017. Completion of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

A letter from the Chairman of the Company explaining the background to and the reasons for the resolution to be proposed at the General Meeting is included in this document. **You are recommended to vote in favour of the Resolution to be proposed at the General Meeting as the Directors intend to do in respect of shares beneficially owned by them.**

Printed copies of this document and the Form of Proxy are available free of charge by emailing the Company at: shareholder.query@haloil.co.uk

This document does not comprise or form part of any offer or invitation to acquire or to dispose of or to subscribe for any interests in shares or securities in the Company and none of its contents nor the fact of its existence may be relied on in connection with any contract therefor.

DEFINITIONS

The following definitions shall apply throughout this document unless the context otherwise requires:

“Acquisition”	the proposed acquisition by HALO B.V. of the entire issued share capital of Tullow 101 Netherlands B.V. pursuant to the terms of the Acquisition Agreement
“Acquisition Agreement”	the conditional sale and purchase agreement dated 7 April 2017 made between Tullow Netherlands Holding Coöperatief B.A., HALO B.V. and the Company relating to the Acquisition
“AIM”	the market of that name operated by London Stock Exchange plc
“AIM Rules”	the AIM Rules for Companies, published by London Stock Exchange plc, as amended from time to time
“Board”	the board of directors of the Company from time to time
“CET”	Central European Time
“Completion”	completion of the Acquisition in accordance with the terms of the Acquisition Agreement
“Completion Adjustments”	adjustments, if any, made to the Initial Consideration after Completion pursuant to the Acquisition Agreement
“CREST”	the computerised settlement system (as defined in the CREST Regulations) to facilitate the transfer of title to securities in uncertificated form, operated by Euroclear
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations
“Directors”	the directors of the Company, whose names are set out on page 6 of this document
“EBN”	Energie Beheer Nederland
“Engie”	Engie Energy Management SCRL
“ENGIE E&P”	ENGIE E&P Nederland BV
“Engie Facility”	The prepaid offtake facility provided by Engie
“Enlarged Group”	the Company and its subsidiary undertakings, as enlarged by the Acquisition
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Share Capital”	the issued share capital of the Company as at the date of this document, comprising 24,133,586 Ordinary Shares

“Form of Proxy”	the form of proxy accompanying this document to be used by the Shareholders in respect of the General Meeting
“General Meeting”	the general meeting of the Company to be held for the purpose of considering and, if thought fit, passing the Resolution, and any adjournments thereof
“GMT”	Greenwich Mean Time
“Group”	the Company and its subsidiaries from time to time
“HALO” or the “Company”	Hague and London Oil plc
“HALO B.V.”	Hague and London Oil B.V., a limited company incorporated under the laws of the Netherlands
“Initial Consideration”	the initial cash consideration payable to the Seller on Completion in accordance with the terms of the Acquisition Agreement
“JDA”	the Joint Development Area of the Dutch Continental Shelf
“NAM”	Nederlandse Aardolie Maatschappij, the operator of the JDA
“Netherlands Assets”	the portfolio of interests in offshore exploration and production licences within the Northern Area and Joint Development Area together with interests in the WGT Pipeline and the Den Helder Plant, as more particularly described in paragraph 3 of Part I of this document
“Northern Area”	the Northern Area of the Dutch Continental Shelf
“Notice of General Meeting”	the notice of the General Meeting set out at the end of this document
“Oranje Nassau”	Oranje-Nassau Energie B.V.
“Ordinary Shares”	ordinary shares of £0.04 each in the capital of the Company
“PanTerra”	PanTerra Geoconsultants B.V.
“Resolution”	the resolution set out in the Notice of General Meeting
“Seller”	Tullow Netherlands Holding Cöoperatief B.A.
“Shareholders”	holders of Ordinary Shares in the Company from time to time
“Tullow 101 Group”	Tullow 101 and its two wholly owned subsidiaries, TEPN and TEP
“Tullow 101”	Tullow 101 Netherlands B.V., a company incorporated in the Netherlands and the holding company of TEP and, indirectly, TEPN

“TEP”	Tullow Exploration & Production B.V., company incorporated in the Netherlands and a wholly owned subsidiary of Tullow 101
“TEPN”	Tullow Exploration & Production Netherlands B.V., company incorporated in the Netherlands and a wholly owned subsidiary of TEP and the main operating subsidiary of the Tullow 101 Group
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“US\$”	the lawful currency of the United States of America
“WGT Pipeline”	the West Gas Transport pipeline
“Wintershall”	Wintershall Noordzee BV
“Vermeer”	Vermeer Exploration BV
“£” or “pence” or “p”	pounds sterling and pence, the lawful currency of the United Kingdom
“€”	the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time

GLOSSARY

“boe”	barrel of oil equivalent
“boepd”	barrel of oil equivalent per day
“BNm ³ ”	billions of normal cubic metres
“Bscf”	billions of standard cubic feet
“Contingent Resources” or “2C”	those quantities of petroleum or gas estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources are a class of discovered recoverable resources
“DCS”	Dutch Continental Shelf
“GWh”	gigawatt hours, a unit of energy representing one billion watt hours
“mmboe”	million barrels of oil equivalent
“mmscfd”	million standard cubic feet per day
“MWh”	megawatt hours, a unit of energy representing one million watt hours
“NPV10”	net present value from an economic analysis with a 10% discount rate
“producing”	related to development projects (e.g. wells and platforms): active facilities, currently involved in the extraction (production) of hydrocarbons from discovered reservoirs

“Prospective Resources”	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development.
“Proved Reserves” or “1P”	those quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.
“Proved plus Probable Reserves” or “2P”	those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate
“Proved plus Probable plus Possible Reserves” or “3P”	those additional reserves which analysis of geoscience and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P) Reserves, which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate
“reserves”	reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by development and production status

PART I
LETTER FROM THE CHAIRMAN
HAGUE AND LONDON OIL PLC

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 03793723)

Directors:

Andrew Cochran (*Chairman and Interim Chief Executive*)
William Phelps (*Non-Executive Director*)

Registered Office:

6 Charlotte Street
Bath
BA1 2NE

16 October 2017

To holders of Ordinary Shares

Dear Shareholders,

**Proposed Acquisition of Tullow 101 Group
and
Notice of General Meeting**

1. INTRODUCTION

On 10 April 2017, the Company announced that it had entered into a conditional sale and purchase agreement to acquire interests in a suite of offshore exploration and production licences on the Dutch Continental Shelf within the Northern Area and Joint Development Area in the western part of the DCS, which collectively generated total net production of 2,900 boepd in 2016.

The purchase price payable at Completion is based on an enterprise value of €4.8 million, subject to certain adjustments, the net effect of which is that the Seller is estimated to receive approximately €1.8 million on Completion (based on an assumed Completion date around the end of October 2017), plus any Completion Adjustments. Contingent payments of up to a maximum of €20.0 million may also become payable between 1 January 2019 and 1 January 2021. The Initial Consideration is to be satisfied in cash at Completion. Further details of the Acquisition Agreement and the Netherlands Assets are set out below.

The Initial Consideration will be funded from the Engie Facility. The Engie Facility is a prepaid offtake facility, non-dilutive to Shareholders, providing a total of up to €10.0 million of which €6.0 million will be drawn down at Completion in order to fund the Initial Consideration. The balance of the initial €6.0 million tranche not used for the Initial Consideration will remain on the Company's balance sheet for working capital and to provide funds for future development capital, new ventures or acquisitions exceeding net operating cash flows generated from the Netherlands Assets. The second tranche of €4.0 million will remain undrawn but is available for additional working capital in the future, if needed. Further details of the Engie Facility are set out below.

Following the Company's previously announced portfolio restructuring and strategic repositioning, the Directors have been implementing a transformational strategy focused on lower risk, producing or near-term development assets located in established hydrocarbon fields and stable political jurisdictions. The Directors believe that the Tullow 101 Group provides for a compelling acquisition within the parameters of these new objectives and the Company's target profile. In particular, the Acquisition represents an opportunity for the Company to enter the Netherlands offshore oil and gas production sector at a price that the Directors deem highly accretive to Shareholders.

The purpose of this document is to set out the principal terms of the Acquisition and to explain why the Directors believe that the Acquisition is in the best interests of the Company and Shareholders, as a whole, and to recommend that Shareholders vote in favour of the Resolution at the General Meeting. The Directors intend to vote in favour of the Resolution in respect of their beneficial holdings of Ordinary Shares, comprising an aggregate number of 4,177,499 Ordinary Shares (being 17.3% of the Existing Share Capital). In addition, undertakings to vote in favour of the Resolution have been received from certain Shareholders, including Sector Fund Ltd, representing 6.9% of the Existing Share Capital. When taken with the Directors' holdings above, undertakings to vote in favour of the Resolution amount to, in aggregate, Ordinary Shares representing 24.3% of the Existing Share Capital.

The Notice of General Meeting, to be held at 3.00 p.m. (CET) on Wednesday 1 November 2017 at The World Trade Centre, Prinses Margrietplantsoen 33 2595 AM The Hague, Netherlands, is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed with this document.

You should read the whole of this document and not just the information contained in this letter.

2. **BACKGROUND TO AND REASONS FOR THE ACQUISITION**

The Company was originally admitted to trading on AIM as Wessex Exploration plc in 2011 and acquired Hague and London Oil B.V. in October 2014 when, as a result, Andrew Cochran joined the Board to assume his current roles of Chairman and Interim Chief Executive Officer and the Company relocated its operational headquarters to The Hague. With lower operating costs and access to a wide pool of industry experts and advisers, the integration of HALO and Wessex was successfully completed.

The market saw a significant drop in risk appetite throughout the downturn in 2015 and 2016. Whilst the medium-term outlook improved, the industry continued to defer or cancel exploration programmes or expensive developments. This led HALO to reconsider its corporate strategy and, as a consequence, in May 2016, HALO announced a strategic repositioning towards lower risk opportunities whilst retaining some exposure to higher risk exploration. The revised stated strategy of the Company is to focus on:

- lower risk assets with a clear, near-term path to revenue generation;
- bringing sufficient near-term liquidity to the Company whilst limiting dilution of its current shareholders where possible or incurring indebtedness.

During the course of 2016, HALO placed a firm focus on identifying lower risk assets, in proven basins, within stable regulatory regimes, with access to infrastructure, and most importantly near-term production or development potential within a limited competitive environment. As part of this strategic shift, a process of building a comprehensive list of opportunities commenced in 2016 and the exhaustive evaluation of these took place during the remainder of the year.

In light of this new strategic focus, HALO announced a Memorandum of Understanding (“MoU”) with Engie Global Energy Management on 4 August 2016. Engie is one of the largest European utilities and manages one of the largest European trading entities for natural gas and power. Under the MoU, HALO agreed to contribute its upstream and commercial capabilities to target, acquire and manage specific low risk natural gas production assets in Europe. Engie agreed to contribute its substantial footprint in European gas markets and its expertise in energy management to offer an innovatively structured gas off-take, designed to help HALO secure the funding of such assets whilst minimising the dilution to HALO's Shareholders.

On 10 April 2017, HALO announced the Acquisition, which the Directors believe fits well within its stated objective of accessing lower risk opportunities and represents a transformative step in implementing the strategy for the Group.

3. INFORMATION ON THE NETHERLANDS ASSETS

The Acquisition comprises TEPN's interests in:

- the Northern Area;
- the JDA in the western part of the DCS;
- fields adjacent to the JDA;
- the West Gas Transport (WGT) pipeline and processing plant at Den Helder; and
- the WGT Extension pipeline.

The licence acreage spreads over approximately 2,800 sq. km and the assets generated total net production of 2,900 boepd in 2016.

The assets benefit from stable field production and the Directors see potential for significant upside in proved undeveloped and probable reserves, and contingent resources.

Tullow Oil plc reported total revenues of US\$31.5 million (€28.5 million) from its Dutch assets in 2016.

Gas produced from the Netherlands Assets trades in line with the Title Transfer Facility ("TTF"), a virtual trading point for natural gas in the Netherlands.

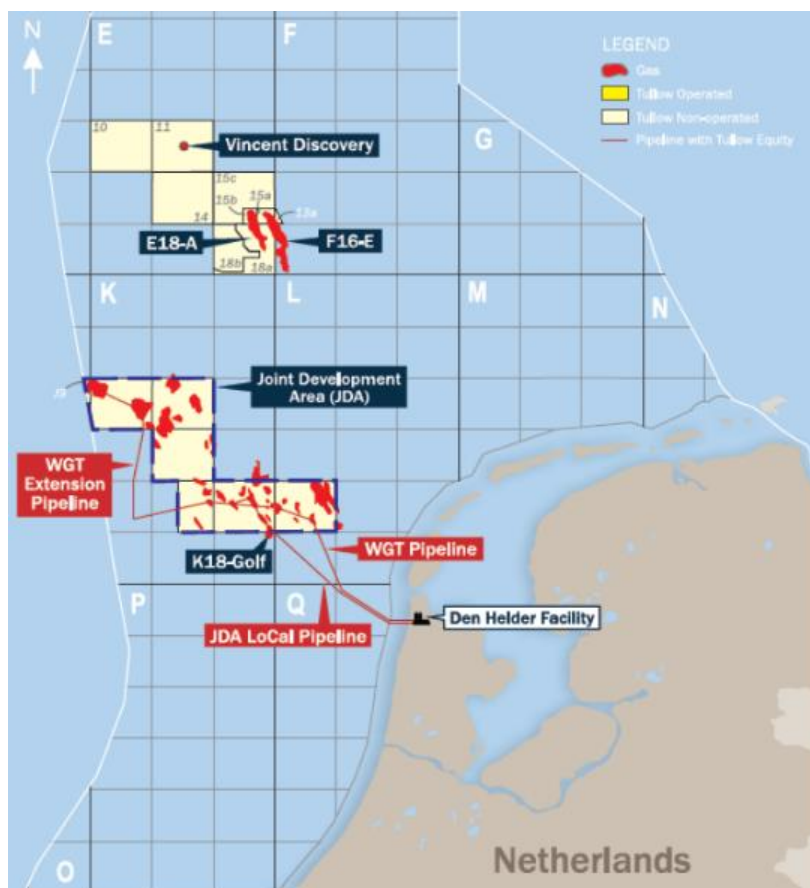


Figure 1 - Overview of the Netherlands Assets

Further details of the assets are set out in the table below.

Area	Licence	Field/ Unit	Operator	Other Partners	Status	Licence Expiry	Licence Interest	Unitised Interest
Northern Area	E10		ENGIE E&P	EBN	Exploration	31/12/2018	30.00%	
	E11		ENGIE E&P	EBN	Exploration	31/12/2018	30.00%	
	E14		ENGIE E&P	EBN	Exploration	31/12/2018	30.00%	
	E15c		ENGIE E&P	EBN, Gas Plus	Exploration	01/01/2018	20.00%	
	E15a	F16-E UNIT	Wintershall	Dana, ENGIE E&P, EBN	Production	21/10/2032	4.69%	4.147%
	E15b	E18-A UNIT	Wintershall	Dana, EBN	Production	01/04/2033	21.12%	18.357%
	E18a	E18-A UNIT F16-E UNIT	Wintershall	Dana, EBN	Production	21/10/2032	17.60%	18.357% 4.147%
	F13a	F16-E UNIT	Wintershall	Dana, ENGIE E&P, EBN	Production	21/10/2032	4.69%	4.147%
JDA	J9		NAM	Oranje Nassau, Wintershall, EBN	Exploration	28/05/2018	9.95%	
JDA	K8	Various K5-A UNIT	NAM	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	22.50%	9.95% 0.597%
JDA	K11		NAM	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	18.00%	9.95%
JDA	K7	Various	NAM	Oranje Nassau, Wintershall, EBN	Production	08/07/2021	0% (1)	9.95%
JDA	K14a	Various	NAM	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	0% (3)	9.95%
JDA	K15	Various	NAM	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	0% (3)	9.95%
JDA	L13	Various	NAM	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	22.50%	9.95%
JDA	K18 Golf	K18 Golf Unit	Wintershall	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	0% (2)	2.189%
JDA	K15	K12-B9 UNIT K12-B UNIT	ENGIE E&P	Oranje Nassau, Wintershall, EBN	Production	01/01/2031	0% (3)	6.809% 3.809%

Field Property & Facilities	Operator	Participating Interest
K13 Den Helder Pipeline & Den Helder HiCal Plant	NAM	8.88%
K13 Ext	NAM	6.38%

- (1) Unitised interest in the JDA, which area also includes the K7, K14a and K15 blocks, in which TEPN is not a licence holder.
- (2) Unitised interest in K18 Golf Unit through TEPN's unitised interest in the JDA.
- (3) Unitised interest in K12-B9 Unit and K12-B Unit through TEPN's unitised interest in the JDA.

HALO has engaged PanTerra Geoconsultants B.V. to perform an independent assessment of the Reserves, Contingent Resources and Net Present Value of the Netherlands Assets, with an effective date of 1 January 2017, and the results of their analysis are set out below.

PanTerra uses the March 2007 SPE/WPC/AAPG/SPEE Petroleum Resources Management System (PRMS) as the standard for classification and reporting. The full text of the PRMS can be downloaded from: <http://www.spe.org/industry/reserves.php>

Gas Reserves

Estimated Gas Reserves attributable to the Netherlands Assets (as at 1.1.2017) are as follows:

Gas Reserves as of 1.1.2017	BNm ³			Bscf			MMboe		
	1P	2P	3P	1P	2P	3P	1P	2P	3P
Total	1.00	1.85	2.52	37.4	68.9	93.9	6.6	12.2	16.6

Gas Contingent Resources

Estimated un-risked Gas Contingent Resource volumes attributable to the Netherlands Assets (as at 1.1.2017) are as follows:

Contingent Resources as of 1.1.2017	BNm ³			Bscf			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Total	1.60	2.99	5.17	59.6	111.4	192.4	10.5	19.7	34.0

Prospective Resources

No resource or valuation analysis has been performed in respect of Prospective Resources.

Economic evaluation

The after tax Net Present Value (NPV) of the 2P Gas Reserves as at 1.1.2017 at a 10% discount rate is estimated at €28.6 million for the base case scenario. This includes the value generated from the interest in the WGT pipeline.

Assumptions

The following principal assumptions have been used in the estimates of Reserves, Contingent Resources and NPV above:

- development plans from the operators up to 30 April 2017 and on the basis of no material changes since that date;
- production profiles have been based on Decline Curve Analysis and on operator estimates of incremental development activities, with adjustments;
- opex and capex costs have been sourced directly from operator estimates;
- the base case abandonment expenditure scenario assumes: bank guarantee fees and backend-weighted yearly payments starting in 2020 and completing in 2037 totalling €141 million (undiscounted);
- base case gas price forecasts: an average price of €16.1/MWh to 2022 and a 3% yearly price increase assumed from 2023-2037; and
- no material change in expectations of performance of the Netherlands Assets since 1.1.2017.

Upside potential and prospective resources

The primary upside potential in the portfolio is the Contingent Resource already discovered, and embedded, within the portfolio, making the commercialisation of these resources the lowest risk and nearest term opportunities. Ongoing developments within the portfolio may help accelerate the

realisation of these resources, with added facilities located in strategic areas which may then encourage further development, exploration and appraisal proximal to these.

The exploration/appraisal focus will primarily be the five non-operated “E-Blocks”. The Vincent discovery well in E-11 was drilled in January 2014, encountering a 130ft gas column, proving the potential of the Carboniferous play in the area and tested at 64 mmcf/d (10,700 boepd) gross.

The “E-Blocks” offer much in terms of potential upside, as demonstrated by the Vincent Discovery. The partners are currently contemplating continued exploration of the E-Blocks in 2018 or 2019. Some volumes associated with Vincent have already been calculated and included as Contingent Resources.

ENGIE E&P farmed in to the “E-Blocks” and assumed operatorship from Tullow in 2015. There is potential for significant development in the area by tying in any fields which may be commercialized in the “E-Blocks” to nearby production infrastructure that already forms part of the Netherlands Assets.

Additionally, the Company is currently reviewing multiple new ventures consistent with the new strategic focus. There is no certainty that these pursuits will result in successful acquisitions but HALO is committed to expanding the portfolio where it makes strategic, operational and financial sense to do so.

Abandonment considerations

There are currently no pending abandonment expenditures, securities or guaranties (“Abex”) associated with the assets. However Abex obligations and potential financial guaranties are anticipated sometime in the future within the normal course and ongoing operations of the assets.

In some circumstances the operator has the ability to request security in respect of future abandonment liability obligations, depending on certain conditions. While both the timing and quantum of any such security or guaranties remain uncertain, amounts payable may potentially be significant and possibly in excess of operating cashflows or cash reserves. In such circumstances, the Company would be required to seek additional financing, or structured guaranties, from other sources to meet these potential obligations.

However, an industry-wide consultation process is currently underway in The Netherlands to harmonise local practices, keeping these up to date with current industry practice elsewhere regarding all aspects of abandonment securities and expenditures (including format, approvals, costs process, calculations and timing). If current draft proposals are implemented, they would most likely alter, amend or replace the Company’s pending Abex obligations throughout the portfolio, and are likely not to be implemented until 2019 depending on this consultation process.

Capex

There is significant sanctioned capital expenditure (“Capex”) for the assets in 2017 and 2018, which is in excess of total consideration in both 2017 and 2018 and associated with ongoing developments within the portfolio. This Capex should create year on year increases in terms of net production between 2017, 2018 and 2019 while being funded from the operating cashflow generated from the Licenses within the current business plans. As and if required, additional Capex may also be funded from the Engie Facility.

2017 production

Full year 2017 production is currently estimated to be in the range of 2,500 to 2,700 boepd.

4. **PRINCIPAL TERMS AND CONDITIONS OF THE ACQUISITION**

On 7 April 2017, the Company and HALO B.V. entered into the Acquisition Agreement, pursuant to which HALO B.V. has conditionally agreed to acquire from the Seller all the issued shares in the capital of Tullow 101 with effect from 00.00.01 on 1 January 2017 (the “Effective Time”).

The purchase price payable at Completion is based on an enterprise value of €4.8 million, subject to working capital adjustment, adjustment for intra-group indebtedness, adjustment for any leakage as specified in the Acquisition Agreement and accrued interest at 1.75% per annum since the Effective Time. The net effect of the foregoing adjustments is that the Seller is estimated to receive approximately €1.8 million on Completion (based on an assumed Completion date around the end of October 2017), plus any Completion Adjustments.

Contingent payments of up to a maximum of €20.0 million may also be payable to the Seller, depending on whether (and the extent to which) security for abandonment liabilities in respect of the Joint Development Area is required to be posted by the Tullow 101 Group during the period from 1 January 2017 to 31 December 2019 (the “Contingent Payment Period”). If no abandonment security is posted during the Contingent Payment Period, or is posted in an amount less than specified in the Acquisition Agreement, then the Seller will be entitled to 40% of the difference between the specified amount, and the amount actually posted.

The contingent payments for 2017, 2018 and 2019 are payable, if due, on 1 January 2019, 1 January 2020 and 1 January 2021, respectively. In respect of the contingent payments for each of 2017 and 2018, the amount payable on the due date for payment is capped at €5.0 million and amounts in excess of such cap shall accrue into the payment due for the following year. The amount payable in respect of 2019 on 1 January 2021, and amounts above the caps for the preceding years which have then accumulated, is subject only to the overall cap on the contingent payment amount of €20.0 million.

Contingent payments, if due, are expected to be paid out of cash generated from operations.

HALO has agreed to guarantee all of HALO B.V.’s obligations under the Acquisition Agreement.

5. **INFORMATION ON THE COMPANY**

On 11 May 2016 HALO announced a proposed portfolio restructuring and strategic repositioning. Higher risk assets were to be spun out into a subsidiary of HALO, Vermeer Exploration BV, including all licence interests in Western Sahara and French Guyana, and 51% of Vermeer's shares were to be sold by HALO to a group of investors, which included Andrew Cochran, the Executive Chairman of HALO, (the “Vermeer Investors”) for a consideration of US\$500,000; the first half of which was paid during H1 2016 and the second half was to be payable on successful extension of the licence in French Guyana (the “Licence Extension”).

In the light of delays and increasing uncertainty around the Licence Extension, the Vermeer Investors have, in order to provide further short term working capital to the Company in the lead up to the completion of the Acquisition, advanced a total of US\$375,000 since Q4 2016. Details of the loan agreement relating to such advances are in the process of being finalised. The 25.5% of Vermeer shares, the transfer of which to the Vermeer Investors was subject to the Licence Extension, were agreed to be transferred to the Vermeer Investors in June 2017.

HALO’s licences currently comprise:

- *French Guyana*: a beneficial interest in the Guyane Maritime Permit, an exploration permit deep-water offshore French Guyana, South America, via its shareholding in Northpet Investments Ltd (Northpet). The equity in Northpet is in the process of being transferred to

Vermeer. The original permit expired in June 2016 and some of the joint venture partners withdrew from the licence and any extension request. The Company does not expect any further progress or expense on the permit in 2017 while it considers its options in relation to this interest. The equity value of Northpet has been fully impaired to zero.

- *Philippines*: The Company (through its wholly owned subsidiary HALO BV) holds a 15% interest in Service Contract SC54A in the NW Palawan Basin, offshore Philippines. The operator has informed HALO that approval has been received from the Philippines Department of Energy for a further three-year suspension to the licence exploration period as a result of Force Majeure in respect of the West Philippines Sea dispute, a territorial dispute in the South China Sea which is the subject of international arbitration. The suspension runs until 5 August 2020, unless the dispute is settled before that time. No activity beyond care and maintenance is expected on the licence for the foreseeable future.
- *Western Sahara*: Following the transfer to the Vermeer Investors which was agreed in June 2017, HALO will continue to have a 49% holding in Vermeer, which holds eight exploration blocks offshore Western Sahara, north-east Africa. Five of these blocks were acquired from Premier Oil plc for a nominal sum of \$1 (plus contingent revenue royalty payments) in a transaction announced on 11 May 2016. Western Sahara is a disputed territory and consequently, the legal status of the licences is highly speculative, as is the geological and commercial potential, and no operational activity is expected in 2017.

The above licences are held at, or have been fully impaired to, zero value on HALO's latest Balance Sheet as at 31 December 2016 and the Directors do not consider them material in the context of the Enlarged Group.

- *The Netherlands*: HALO applied for an offshore exploration licence in the F5 Block in late 2015. The process remains ongoing, with the F5 application still pending while the government re-assesses its licensing processes as of the start of 2017. Additionally, HALO is preparing further applications for the Dutch Continental Shelf in the coming months within the new processes being established.

AIM Cancellation

On 9 August 2017 HALO announced the resignation of its Nominated Adviser and Broker with immediate effect. Trading of the shares of the Company on AIM at that time was already suspended in connection with the Acquisition, which constituted a reverse takeover under the AIM Rules.

Pursuant to Rule 1 of the AIM Rules, HALO had one month from 9 August 2017 in which to appoint a replacement Nominated Adviser or the admission of its shares to trading on AIM would be cancelled. Discussions regarding the appointment of a new Nominated Adviser progressed well. However, given the material impact of the Acquisition on the Company, these discussions had to be aligned with the negotiations, timetable and work streams related to the Acquisition and the planned publication of an admission document. The requirement to be fully involved in all such aspects of the Acquisition did not make it possible for a new Nominated Adviser to complete its appointment within the required timescale. Consequently, admission of the Company's shares to trading on AIM was cancelled with effect from 07:00 on Monday 11 September 2017 ("Cancellation").

The Directors of HALO continue to believe that the most appropriate route for the Company's growth and value creation is via the public markets. It is therefore the Directors' intention to reapply for the Company to be admitted to trading on a public market at an appropriate time following completion of the Acquisition ("Readmission"). Whilst the Directors intend to keep the length of time to Readmission as short as possible, they may also take the opportunity to consider other acquisitions to grow in line with HALO's strategy, announced on 11 May 2016, of repositioning towards lower risk assets. Taking this into account, and allowing also for market conditions, Readmission is currently targeted to occur within the next six months.

Further details in respect of the Cancellation can be found in the Company's announcement of 8 September 2017.

The Company is considering a possible share buy-back and cancellation, when the Company's financial circumstances allow (subject to the relevant provisions of the Companies Act 2006, including Shareholder approval). Further details will be provided as and when appropriate.

6. STRATEGY OF THE ENLARGED GROUP

The Acquisition will substantially increase the size and scale of the Group's operations. The Company's strategy is to focus on lower-risk assets with well-understood geology, near-term commercial potential, access to (or ownership of) infrastructure situated in established hydrocarbon basins and stable fiscal jurisdictions, with higher risk assets spun out into Vermeer Exploration B.V.

The difficulties created by sector-wide conditions have seen a dramatic decrease in drilling and other related costs as well as greatly improving the availability of rigs and other related equipment. In addition to these operational benefits, there are considerable and expanding opportunities for further portfolio growth. In this context, HALO expects to maintain the same cost discipline it has followed to date and pursue only those opportunities which offer sufficient returns within manageable risk.

The Directors believe the change in scale which will result from the Acquisition will allow the Company to pursue larger opportunities in the future as well as providing cash flow to pursue lower-risk organic opportunities. The Group continues to screen suitable opportunities as they arise focusing on those which meet the strategic objectives and are deemed to be value-accretive.

Following the completion of the Acquisition, HALO intends to increase its internal resources, both at the Board level and within corporate and operational teams. These additional resources will be brought through targeted individual hires, with an incremental increase in general expenditure in line with adequate resourcing requirements, with the intention to maintain a cost-conscious and highly effective operating environment within the Group. Given the non-operated nature of the interests, HALO intends to continue to assume the day-to-day management of all its assets from the head office in The Hague, benefiting from the local market's access to highly skilled industry specialists.

7. DETAILS OF THE ENGIE FACILITY

Through the Engie Facility, the Directors have been able to construct an innovative offtake arrangement with which to fund the Acquisition, without recourse to an equity issue and the resulting dilution of existing HALO shareholders.

The Engie Facility is a prepaid offtake facility providing a total of €10.0 million of which €6.0 million will be drawn down at Completion in order to fund the Initial Consideration. The balance of the initial €6.0 million tranche not used for the Initial Consideration will remain on the Company's balance sheet for working capital and to provide funds for future development capital, new ventures or acquisitions exceeding net operating cash flows generated from the Netherlands Assets. A further €4.0 million will be available to draw down, at HALO's discretion, over the period from Completion to 31 March 2018, such timing potentially to be extended by mutual agreement.

Under the terms of the Engie Facility, Engie will be the sole off-taker of the natural gas produced from the acquired fields. Upon Completion the existing Gas Sales Agreements will be terminated, after a mandatory 12 month opt-out notice period has elapsed. During the interim period prior to Engie's offtake commencing, Engie will retain €170,000 per month in escrow from 1 January 2018 as additional security. If the additional €4.0 million facility is drawn down, an additional €100,000 per month would be held in escrow during the period from April to December 2018. These amounts would be released from escrow in January 2019 upon commencement of Engie's physical offtake.

The commodity price paid by Engie under the offtake agreement will be the agreed index price less a discount of €0.09/MWh which is more competitive than the existing Gas Sales Agreements.

The funds advanced by Engie will be repaid by the volumes of gas corresponding to the prepayment. At current market prices, the €6.0 million facility corresponds to approximately 470 GWh which would be repaid in 2019. If the additional €4.0 million facility is drawn down, approximately 44 GWh would be repaid in 2019 and approximately 307 GWh in 2020. Exact repayment volumes will ultimately be determined by reference to the gas price at the time of Completion.

8. SELECTED FINANCIAL INFORMATION

The Company

Audited historical financial information on the Company for the three years ended 31 December 2016 is available from the Company's website at: www.haloil.co.uk

As noted above, the Vermeer Investors have, in order to provide further short term working capital to the Company in the lead up to the completion of the Acquisition, advanced a total of US\$375,000 since Q4 2016. Details of the loan agreement relating to such advances are in the process of being finalised.

The Netherlands Assets

Pursuant to the Acquisition, the Company has conditionally agreed to acquire the entire issued share capital of Tullow 101 and its wholly owned subsidiaries TEPN and TEP (together the Tullow 101 Group). Audited consolidated accounts for the Tullow 101 Group have not been produced.

Tullow 101 is primarily a holding company and does not employ personnel or perform research and development activities. TEP is a wholly owned subsidiary of Tullow 101 and TEPN is a wholly owned subsidiary of TEP. TEPN is the main trading entity of the Tullow 101 Group and holds all the interests in the assets to be acquired.

The accounts of the individual entities in the Tullow 101 Group contain material inter-company balances that are to be settled on Completion such that no balances will be owed to or from the Tullow Oil plc group following Completion and any final Completion Adjustments. The accounts also include material inter-company interest and other charges. The individual company accounts of the Tullow 101 Group are available on request. However, due to the aforementioned material inter-company balances and charges, it is the view of the Directors that it is difficult to extract from this information an accurate picture of the underlying financial position and performance of the Netherlands Assets.

Set out below are selected financial results for TEPN for the years ended 31 December 2015 and 2016, and for the six months ended 30 June 2017.

€ millions	2015	2016	1H2017 (unaudited)
Revenues (1)	51.95	28.46	16.04
Opex (2)	29.93	19.66	10.45
Gross profit (EBITDA) (3)	22.02	8.80	5.59
Production (mmscfd) (4)	21	17	15.4
Production (boepd) (4)	3,621	2,931	2,663

(1) Extracted without adjustment from the audited accounts of TEPN (in respect of 2015 and 2016), and from the unaudited management accounts of TEPN (in respect of 1H2017).

(2) Unaudited calculation. (Cost of Sales, depreciation added back. Underlying numbers extracted as per (1) above.)

(3) Earnings before interest, tax, depreciation/depletion and amortisation. Unaudited calculation. (Revenues minus Opex.)

(4) Underlying numbers extracted as per (1) above. Conversions unaudited. Conversion factor: 5.8

The principal reasons for the decrease in revenues between 2015 and 2016 were (i) the fall in the gas price - the average realized gas price in 2015 was €20/MWh compared to €13/MWh in 2016 and (ii) a fall in production due to some natural decline.

To date in 2017 production has been impacted by the postponement of various budgeted well interventions in the JDA and (now resolved) mechanical problems in one key well. The weighted average gas price has been approximately €16.4/MWh.

Full year 2017 production is currently estimated to be in the range of 2,500 to 2,700 boepd. Net production is expected to increase year-on-year between 2017, 2018 and 2019 with the completion of projects in the portfolio that are currently under development. The Capex associated with these developments is expected to be funded by cash flow from production and complemented, if needed, by the undrawn (or unallocated) Engie Facility.

9. IMPORTANCE OF THE VOTE

In the Company's Annual Results for the year ended 31 December 2016, published on 24 May 2017, it was stated that at the period end the Group had cash balances of £0.05 million and would require additional funds in 2017 to maintain sufficient cash resources for its working capital needs over the next twelve months. Since Q4 2016, the Chairman and an investor have provided the Company with US\$375,000 of short-term funding to cover immediate working capital requirements.

As a result of the Acquisition, the Directors concluded that there was a reasonable expectation that the Group would be able to continue operating for the foreseeable future and to meet its planned commitments and liabilities for at least twelve months from the date the last financial statements were approved. For this reason, the Directors adopted the going concern basis in preparing the financial statements for the year ended 31 December 2016.

In the event that Shareholders do not approve the Resolution or the Acquisition does not proceed for any other reason, the Company will be required to seek financing from alternative sources. The Board believes that such financing may be difficult to secure and, if secured, is likely to be on terms detrimental to Shareholders. With the timing, quantum and terms of any future financing uncertain, no assurance can be given that the Company will be able to continue as a going concern, in which case the Company may be forced to cease trading and Shareholders could lose their entire investment.

It is therefore of the utmost importance that Shareholders vote in favour of the Resolution.

10. GENERAL MEETING

At the end of this document, you will find set out a notice convening the General Meeting of the Company to be held at 3.00 p.m. (CET) on Wednesday 1 November 2017 at The World Trade Centre, Prinses Margrietplantsoen 33 2595 AM The Hague, Netherlands, at which the following Resolution will be proposed:

Resolution: Approval of the Acquisition

The Resolution is an ordinary resolution to approve the Acquisition.

Details of a conference facility allowing Shareholders remote access to the General Meeting will be made available on the Company's website in due course.

11. **FURTHER INFORMATION**

Your attention is drawn to the Risk Factors set out in Part II.

12. **ACTION TO BE TAKEN**

You will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. **Whether, or not, you intend to be present at the General Meeting, you are asked to complete and return the Form of Proxy in accordance with the instructions printed on it so as to be received by the Company's registrar as soon as possible and, in any event, not later than 2.00 p.m. (GMT) on Monday 30 October 2017.**

Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you subsequently wish to do so.

13. **RECOMMENDATION AND VOTING INTENTIONS**

The Directors consider that the Acquisition is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that all Shareholders vote in favour of the Resolution at the General Meeting, as they intend to do so in respect of their own beneficial holdings amounting, in aggregate, to 4,177,499 Ordinary Shares, representing 17.3% of the Existing Share Capital. In addition, undertakings to vote in favour of the Resolution have been received from certain Shareholders, including Sector Fund Ltd, representing 6.9% of the Existing Share Capital. When taken with the Directors' holdings above, undertakings to vote in favour of the Resolution amount to, in aggregate, Ordinary Shares representing 24.3% of the Existing Share Capital.

Yours faithfully

Andrew Cochran
Chairman and Interim Chief Executive

PART II

RISK FACTORS

The exploration and development of oil and gas resources is a highly speculative activity that involves a high degree of operational, technical and financial risk. Accordingly, prior to making any decision as to whether or not to vote in favour of the Resolution, Shareholders should carefully consider the risks described below in addition to the rest of the information contained in this document. If any of the following risks materialise, the business, financial condition, results, prospects and/or future operations of the Company and the Enlarged Group could be materially adversely affected. In such case, the value of the Ordinary Shares may decline and an investor may lose all or part of their investment.

The risks described below should not be considered to be an exhaustive summary of all the potential risks and uncertainties faced by the Company and the Enlarged Group. There may be additional risks that are unknown or that are considered to be immaterial at the time of publication of this document that may become known and/or materially and adversely affect the Company and the Enlarged Group. These may lead Shareholders to lose all or part of their investment.

The order in which the following risks are presented does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential effect on the Company and the Enlarged Group.

1. RISKS RELATING TO THE ACQUISITION

- The Acquisition may not complete and the Company would need to seek finance to continue as a going concern.
- The Enlarged Group may not be able fully to realise the benefits of the Acquisition.
- Any unknown existing or potential liabilities in relation to the Netherlands Assets could have a significant material effect on the Enlarged Group.
- Remedies for breach of the contractual arrangements under the Acquisition Agreement may be limited.
- The integration costs related to the Acquisition may exceed the Board's expectations.

2. RISKS RELATING TO THE BUSINESS OF THE ENLARGED GROUP

- Success of the Company's strategy is not guaranteed.
- The Enlarged Group's decommissioning liabilities may be onerous and cannot be accurately predicted. Please see Paragraph 3 of Part I for more details on the Group's potential decommissioning liabilities.
- Title to assets is not guaranteed.
- The Company has limited control over the approval, granting, suspension or termination of licences, permits and approvals.
- Dutch government regulation capping natural gas production in the Netherlands may impact the Enlarged Group's production.
- The Enlarged Group is subject to operational, infrastructure and production risks.
- The Enlarged Group may be subject to project delays.
- The Enlarged Group may not be able to exploit successful discoveries.
- Capital expenditure estimates may turn out to be incorrect.
- Access to future financing may be restricted, potentially diluting existing interests.
- The Enlarged Group may be reliant on attracting and retaining key personnel.
- The Enlarged Group may be reliant on retaining key business relationships.
- The Enlarged Group (and its third-party partners and operators) may not be able to keep pace with technological developments in its industry.
- The Enlarged Group will be exposed to various risks related to the operators of the assets and the contractors retained by the operators.
- The Enlarged Group may be exposed to co-venturer risk.

- The ability to sell the Netherlands Assets in the future or grant security over the Netherlands Assets may be limited.
- There may be possible conflicts of interest of Directors.
- Interests in early stage exploration assets may not be developed or may be diluted.
- The Enlarged Group may be exposed to litigation risks.
- The Enlarged Group may be exposed to risks relating to insurance not covering its operations.
- The Enlarged Group will be exposed to variations in foreign exchange rates and interest rates.

3. RISKS RELATING TO THE INDUSTRY IN WHICH THE ENLARGED GROUP OPERATES

- Resource and reserves estimates involve subjective judgements and are therefore imprecise and may prove to be inaccurate.
- The Enlarged Group will be exposed to exploration, development and production risks, laws and regulation.
- The Enlarged Group will be exposed to oil and gas price volatility.
- The Enlarged Group will be exposed to environment, health and safety risks.
- The Enlarged Group will be exposed to oil and gas price volatility.
- The Enlarged Group may be exposed to political instability.
- The Enlarged Group will be exposed to changes in government regulation.
- The Enlarged Group will be exposed to the availability of equipment and qualified personnel.
- The Enlarged Group will be exposed to industry competition.
- The Enlarged Group will be exposed to the UK's proposed exit from the EU.

4. RISKS RELATING TO THE ORDINARY SHARES

- The value of the Ordinary Shares may fluctuate significantly.
- Shareholders may experience dilution as a result of future equity raisings.
- The ability to pay dividends in the future is not certain and is subject to restrictions.
- Legislation and tax status relating to the Ordinary Shares may change.

HAGUE AND LONDON OIL PLC

(Registered in England and Wales under the Companies Act 2006 with registered number 03793723)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a GENERAL MEETING (“GM”) of the Company will be held at 3.00 p.m. (CET) on Wednesday 1 November 2017 at The World Trade Centre, Prinses Margrietplantsoen 33 2595 AM The Hague, Netherlands for the purposes of transacting the following business:

Ordinary Business

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

THAT the Acquisition, on the terms and subject to the conditions of the Acquisition Agreement, be and is hereby approved for all purposes and the Directors or any duly constituted committee of the Directors be authorised to: (i) take all such steps as may be necessary or desirable in connection with, and to implement, the Acquisition; and (ii) agree all such modifications, variations and amendments to the terms and conditions of the Acquisition, and to any documents relating to it, as they may in their absolute discretion see fit.

By order of the Board

Brian Marshall FCA
Company Secretary

16 October 2017

Registered Office:
6 Charlotte Street,
Bath BA1 2NE

Notes:

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those shareholders registered in the register of members of the Company as at close of business on 30 October 2017 (or if the GM is adjourned 48 hours before the time fixed for the adjourned GM) shall be entitled to attend, speak and vote at the GM in respect of the number of shares registered in their name at that time. Any changes to the register of members at that time shall be disregarded in determining the rights of any person to attend or vote at the GM.
2. If you wish to attend the GM in person, you should make sure that you arrive at the venue for the GM in good time before the commencement of the meeting. You may be asked to provide proof of your identity in order to gain admission.
3. A member who is entitled to attend, speak and vote at the GM may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the GM in order to represent his appointer. A proxy vote must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the GM (although voting in person at the GM will terminate the proxy appointment). A proxy form is enclosed.

The notes to the proxy form include instructions on how to appoint the Chairman of the GM or another person as proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.

4. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Capita Asset Services at PXS, 34 Beckenham Road, Beckenham BR3 4TU, by **no later than 2.00 p.m. (GMT) on 30 October 2017**.
5. CREST members who wish to appoint a proxy or proxies by utilising the proxy appointment service may do so for the GM (and any adjournment thereof) by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
6. 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 ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to 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 Company's agent (RA10) by the last time(s) for receipt of proxy appointments specified in Note 4. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear 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, to procure that his CREST sponsor or voting service provider takes) 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 providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. You may not use any electronic address provided either in this notice of the GM or in any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
8. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
9. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 3 to 6 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provisions of the Companies Act 2006.