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If you have sold or otherwise transferred all of your ordinary shares please forward this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

WH Ireland Limited, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser to Caspian Sunrise PLC and for no-one else in connection with the proposals described in this document and accordingly will not be responsible to any person other than Caspian Sunrise PLC for providing the protections afforded to customers of WH Ireland or for providing advice in relation to such proposals.

Caspian Sunrise PLC

(Incorporated and registered in England and Wales with number 05966431)

Proposed Acquisition of the Caspian Explorer and Notice of General Meeting

Nominated Adviser & Broker

WH Ireland Limited

Notice of a general meeting of the Company, to be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG on Thursday 13 February 2020 at 11:00 a.m., is set out at the end of this document. The recommendations of the Independent Directors and of the Directors are set out on page 15.

The enclosed form of proxy for use at the general meeting should be returned to Link Asset Services, PSX1, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and to be valid must arrive not later than 48 hours before the time fixed for the general meeting.

This document does not constitute a prospectus for the purposes of the prospectus rules of the Financial Conduct Authority, nor does it comprise an admission document prepared in accordance with the AIM Rules. Accordingly, this document has not been approved by or filed with the Financial Conduct Authority. This document does not constitute or form part of any offer or invitation to sell or issue or a solicitation of any offer to acquire, purchase or subscribe for Ordinary Shares in any jurisdiction. Subject to the exceptions below, this document must not be distributed to a US Person (as such term is defined in Rule 902 of Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")) or within or into the United States, Canada, Japan, South Africa, the Republic of Ireland or Australia. Ordinary Shares have not been and will not be registered under the Securities Act, and may not be offered or sold or subscribed, directly or indirectly, within the United States, Canada, Japan, South Africa, the Republic of Ireland or Australia or to or by any US Person (as such term is defined in Regulation S promulgated under the Securities Act) or any national resident or citizen of Canada, Japan, South Africa, the Republic of Ireland or Australia or any corporation, partnership or other entity created or organised under the laws thereof. Any failure to comply with this restriction may constitute a violation of the United States or other national securities laws. None of the information contained herein has been filed or will be filed with the US Securities and Exchange Commission, any regulator under any state securities laws or any other governmental or self-regulatory authority.

The recommendations of the Independent Directors and of the Directors on the Resolutions to be proposed at the General Meeting are set out on page 15 of this document. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish. This document should be read in its entirety in conjunction with the accompanying Form of Proxy and the definitions set out herein. In particular your attention is drawn to the letter from the Executive Chairman of the Company, which is set out in Part I of this document, which contains the unanimous recommendation of the Independent Directors in respect of Resolutions 1 and 4 and of all the Directors in respect of Resolutions 2 and 3, that you vote in favour of the Resolutions.

The past performance of the Company and its securities are not, and should not be relied on as, a guide to the future performance of the Company and its securities. Neither the content of websites referred to in this document, nor any hyperlinks on such websites, is incorporated in, or forms part of, this document.

This document is published on 21 January 2020. Copies of this document will be available free of charge during normal business hours on weekdays (excluding Saturday, Sunday and public holidays) from the date hereof until 13 February 2020 from the Company's registered office. Copies will also be available to download from the Company's website at www.caspiansunrise.com.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Proposals	21 January 2020
Publication of this Circular and notice of General Meeting	21 January 2020
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on Tuesday 11 February 2020
General Meeting	11.00 a.m. on Thursday 13 February 2020
Completion of the Acquisition	after satisfaction of the Acquisition Conditions and within 2 trading days of receipt by the Company of JAFZA Registration
Admission of the Consideration Shares and commencement in dealing of such shares on AIM	8.00 a.m. on the date of completion of the Acquisition

All future times and/or dates referred to in this Circular are subject to change at the discretion of the Company and WH Ireland and if any of the above times or dates should change, the revised times and/or dates will be notified by an announcement on a regulatory information service. All times are UK times unless otherwise specified.

STATISTICS

Issued share capital

Number of Ordinary Shares as at 20 January 2020 (being the latest practicable date prior to the publication of this Circular) 1,882,660,885

Acquisition statistics*, **

Aggregate consideration payable by the Company pursuant to the acquisition of the Caspian Explorer (to be satisfied by the issue of the Consideration Shares at the Issue Price) US\$25,000,000

Number of Consideration Shares proposed to be issued at the Issue Price pursuant to the Acquisition 160,256,410

Issue price per Consideration Share 12 pence

Enlarged Share Capital 2,042,917,295
Ordinary Shares

Consideration Shares as a percentage of the Enlarged Share Capital 7.84%

Market capitalisation at the Issue Price following completion of the Acquisition £245.2 million/\$318.7 million

* These figures set out the maximum consideration payable and the maximum number of Consideration Shares issuable on the assumption that (i) all relevant Resolutions contained within this Circular are passed, and (ii) the Acquisition completes in accordance with the terms set out in this Circular

** US\$: £ exchange rate for the purposes of calculating consideration payable US\$1.30 : £1.00

DEFINITIONS

“3A Best”	3A Best Group JSC (registered in the Republic of Kazakhstan with number 090340012832) whose registered office is at 050000, Almaty, 152/140 Karasay Batyr Street, The Republic of Kazakhstan
“3A Best Acquisition”	the acquisition by the Company of the entire issued share capital of 3A Best, details of which are set out in the Company’s RNS announcements dated 31 January 2018, 29 May 2018, 13 November 2018 and 22 January 2019
“3A Best Contract Area”	the Kazakh subsoil use contract in respect of the 3A Best contract area, covering an area of over 1,347 square kilometres located close to the Caspian port city of Aktau in the Mangystau Province of Kazakhstan and 100% owned by 3A Best
“Acquisition”	the proposed acquisition by the Company of the Caspian Explorer by means of the purchase of the entire issued share capital of Prosperity Petroleum for the consideration of US\$25 million, pursuant to the SPA
“Acquisition Conditions”	the conditions precedent to the completion of the Acquisition as set out in the SPA, details of which are set out in Part I of this Circular
“Admission”	the admission of the Consideration Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AGM” or “Annual General Meeting”	the Company’s annual general meeting held on 21 June 2019
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	together, the AIM Rules for Companies and, where the context requires, the AIM Rules for Nominated Advisers
“BNG”	the Kazakh subsoil use contract in respect of the BNG contract area, which is located in the west of Kazakhstan 40 kilometres southeast of Tengiz on the edge of the Mangistau Oblast, covering an area of 1,702 square kilometres, and the oil and gas assets and operations carried out therein
“Board” or “Directors”	the board of directors of the Company as at the date of this Circular consisting of Clive Carver, Timothy Field, Edmund Limerick and Kuat Oraziman
“Caspian Explorer” or “Explorer” or “CE”	a drilling vessel capable of drilling to depths of up to 6,000 metres while in water with depths between 2.5 metres and 7.5 metres, further details of which are set out in Part I
“Consideration Shares”	the 160,256,410 new Ordinary Shares proposed to be issued, at the Issue Price, to satisfy the consideration payable for the Acquisition
“Circular”	this document
“City Code” or “Takeover Code” or “Code”	the City Code on Takeovers and Mergers
“Companies Act”	the Companies Act 2006 as amended

“Company” or “Caspian Sunrise” or “CS” or “CASP”	Caspian Sunrise PLC, formerly Roxi Petroleum Plc
“Concert Party”	the Oraziman Family (being Kuat Oraziman, Aibek Oraziman, Aidana Urazimanova, Rafik Oraziman and Kazihan Nugman), Dae Han New Pharm Co. Ltd, Cody Star Investment Ltd, Kairat Saylganov, Bolatzhan Kerimbayev, Raushan Sagdiyeva, Zhanat Bukenova, Daulet Beisenov and Dosbol Zholdybyev
“Enlarged Share Capital”	the Issued Ordinary Shares and the Consideration Shares (when issued)
“FCA”	the Financial Conduct Authority
“Form of Proxy”	the form of proxy for use by Shareholders at the General Meeting
“General Meeting” or “GM”	the general meeting of the Company convened by the Notice, to be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG on Thursday 13 February 2020 at 11:00 a.m.
“Independent Directors”	the Directors other than Kuat Oraziman (being Clive Carver, Edmund Limerick and Tim Field)
“Independent Shareholders”	the Shareholders other than members of the Concert Party
“Issued Ordinary Shares”	the 1,882,660,885 Ordinary Shares in issue as at 20 January 2020 (being the latest practicable date prior to the publication of this Circular)
“Issue Price”	12 pence per Consideration Share
“JAFZA Registration”	as defined in paragraph 4 of Part I of this Circular under the heading <i>“Summary of the terms and conditions of the Acquisition”</i>
“KC Caspian Explorer LLP”	KC Caspian Explorer LLP, a limited liability partnership registered in Kazakhstan with BIN 111240017998 being the sole owner of the Caspian Explorer
“London Stock Exchange”	London Stock Exchange plc
“Notice”	the notice of general meeting which is set out in Part II of this Circular
“Ordinary Shares”	the ordinary shares of 1 pence each in the capital of the Company
“Oraziman Family”	Kuat Oraziman, Aibek Oraziman, Aidana Urazimanova, Rafik Oraziman and Kazihan Nugman
“Panel”	the Panel on Takeovers and Mergers
“Proposals”	together, the Acquisition as a substantial property transaction with a director or person connected with a director, the affirmation of the Company’s agreement to acquire the entire issued share capital of 3A Best, the proposal of the Resolutions to the Shareholders and the other proposals as referred to in this Circular
“Prosperity Petroleum”	Prosperity Petroleum Limited, JAFZA Offshore Company with registration number 192497 being the sole member of KC Caspian Explorer LLP

“Related Party Transaction”	as defined under Rule 13 of the AIM Rules. The Acquisition comprises a Related Party Transaction as further described in this Circular
“Resolutions”	the resolutions set out in the Notice and reference to a “Resolution” shall be the relevant resolution set out thereon
“Securities Act”	US Securities Act of 1933, as amended
“Sellers”	Aibek Oraziman (being a member of the Oraziman Family), Alibek Mugaila, Altynbek Bolatzhan, Berik Bimurato and Kang Junyoung, together owing the entire issued share capital of Prosperity Petroleum
“Shareholders”	the holders of Ordinary Shares
“SPA” or “Share Purchase Agreement”	the share purchase agreement relating to the Caspian Explorer Acquisition dated 20 January 2020 between the Company (as buyer) and the Sellers (as sellers)
“WH Ireland”	WH Ireland Limited, the Company’s Nominated Adviser and Broker for the purposes of the AIM Rules
“£” or “Pounds”	the lawful currency of the United Kingdom
“US\$” “\$” or “Dollars”	the lawful currency of the United States of America

PART I

LETTER FROM THE EXECUTIVE CHAIRMAN

*(Incorporated and registered in England and Wales under the Companies Acts 1985 and 1989)
(Registered No. 05966431)*

Directors:

Clive Carver (Executive Chairman)
Kuat Oraziman (Chief Executive Officer)
Edmund Limerick (Non-Executive Director)
Tim Field (Non-Executive Director)

Registered Office:

Caspian Sunrise PLC
5 New Street Square
London
EC4A 3TW

21 January 2020

To Shareholders and, for information purposes only, to the holders of options under the Caspian Sunrise PLC share option schemes

Dear Sir or Madam

1 Introduction

I am pleased to write to you with details of the proposed acquisition of the Caspian Explorer, a drilling vessel capable drilling exploration wells to depths of up to 6,000 metres in extremely shallow water, for a consideration of \$25 million to be satisfied by the issue of 160,256,410 new Ordinary Shares at a price of 12p per share.

As the majority owner of the Caspian Explorer is a member of the Oraziman Family the Acquisition is a Related Party Transaction. As a result of the Acquisition, the Oraziman Family's interest in the Company would increase from 42.9 per cent. to 44.2 per cent.

The Panel has given its consent that the issue of shares to the Oraziman Family (pursuant to the Acquisition outlined in this Circular) does not require the Oraziman Family to make a mandatory Rule 9 offer under the Takeover Code (pursuant to Note 4 on Rule 9.1 of the Code) and accordingly does not require Independent Shareholders to vote on a waiver of the obligations of the Oraziman Family under the same rule.

The purpose of this Circular is to explain the background to and reasons for the Acquisition and why the Independent Directors consider the Acquisition to be in the best interests of the Company.

Additionally Shareholders are asked to approve a resolution relating to the already completed acquisition of 3A Best.

2 Background to the Acquisition

The Directors believe that BNG, the Company's flagship asset, has the potential to become extremely valuable, in particular on the assumption that the deep wells will flow at commercial rates. The Directors also have high hopes with regard to the 3A Best Contract Area. However, these are not the only oil and gas assets of value in Kazakhstan.

To date Caspian Sunrise has focused exclusively on on-shore exploration and production.

In parts of the Northern Caspian Sea, where the Company's management believe there are attractive oil producing prospects, the water levels are extremely shallow and cannot be explored with traditional deep water rigs.

The principal ways of exploring these properties are either from a land base or by the use of a specialist shallow drilling vessel. Land based options typically involve either the creation of man-made islands from which to drill as if on shore or, less commonly, drilling out from an onshore location. Both are expensive compared to the use of a specialist drilling platform.

The Independent Directors believe the Caspian Explorer to be the only currently operational drilling vessel of its type capable of operating in water as shallow as 2.5 metres in the Caspian Sea. Further, given the lead times and construction costs, the Independent Directors do not expect a new competing drilling vessel to enter the market in the next few years.

Offshore exploration is generally more expensive and complicated than on-shore exploration, with typically higher costs. Accordingly, it would be unusual for a company the size of Caspian Sunrise to seek to develop offshore assets without a partner.

The Independent Directors believe the opportunities for participation in the exploration of the offshore blocks in the Northern Caspian Sea would be significantly enhanced should the Company own a suitable shallow water drilling vessel.

In the event ownership did not allow the Company to participate directly in the exploration of these shallow water blocks, the Caspian Explorer could be used by other exploration groups at rates estimated at up to \$25 million per annum.

3 The Caspian Explorer

Introduction

The Caspian Explorer is a drilling vessel designed to operate in the extreme shallow waters of the Northern Caspian Sea.

The Caspian Explorer was conceived of by a consortium of leading Korean companies including Korea National Oil Corporation, Samsung and Daewoo Shipbuilding. The vessel was assembled in the Ersay shipyard in Kazakhstan between 2010 and 2011 for a construction cost believed to be approximately \$170 million. The total costs after fit-out are believed to have been approximately \$200 million.

The Caspian Explorer became operational in 2012 at a time of relatively low oil prices and reduced exploration activity in the Northern Caspian Sea.

In 2012, the Korean consortium decided to sell the Caspian Explorer by way of a competitive tender with the buyer being KC Caspian Explorer LLP.

Operational characteristics

The Caspian Explorer:

- operates principally between May and November as the Northern Caspian Sea is subject to ice in the winter months
- operates in depths between 2.5 metres and 7.5 metres
- can drill to depths of 6,000 metres
- typically has a crew to operate the drilling vessel of 20
- has accommodation for approximately 100
- costs approximately \$100,000 per month while moored in port
- is generally able to pass on other costs incurred while operational to the clients hiring the vessel.

Commercial activity

In 2017, the Caspian Explorer was hired out to a KazMunaiGas / Indian state oil company joint venture for \$28 million after costs and drilled one exploration well to a depth of 3.5 km.

In 2018, the Caspian Explorer was hired out to KazMunaiGas for up to \$24 million drilling one exploration well to a depth of 1.8 km.

The Caspian Explorer did not operate in 2019.

Financial information

The unaudited consolidated profit for Prosperity Petroleum for the year ended 31 December 2018, was \$7 million on revenues of \$18 million. The net assets at 31 December 2018 were \$53 million.

4 Summary of the terms and conditions of the Acquisition

Terms

Under the terms of the Share Purchase Agreement the Company will acquire the entire issued share capital of Prosperity Petroleum for a consideration of \$25 million.

Prosperity Petroleum is registered in the United Arab Emirates and is the sole shareholder of KC Caspian Explorer LLP, the Kazakh registered entity which owns a 100 per cent. interest in the Caspian Explorer.

The Prosperity Petroleum shares to be acquired will be fully paid and free from any pre-emption right, conversion right, option, mortgage, charge, pledge, lien, hypothecation, assignment, security interest, retention of title or other encumbrance of any kind and together with all the rights attaching to those shares.

The Share Purchase Agreement and any dispute or claim arising out of, or in connection with it (including non-contractual disputes or claims) are governed by and construed in accordance with English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of the Share Purchase Agreement.

Aibek Oraziman owns 60 per cent. of the shares of Prosperity Petroleum.

The purchase consideration will be satisfied by the issue of 160,256,410 new Ordinary Shares.

On completion of the Acquisition Prosperity Petroleum will become a wholly owned subsidiary of the Company.

Acquisition Conditions

Completion of the Acquisition is dependent on amongst other things:

- 1 the consent of the Kazakh Committee for Regulation of Natural Monopolies and Competition Protection (or its legal assignee) for economic concentration pursuant to Articles 200.1 and 201.1.2 of the RK Entrepreneurial Code having been obtained;
- 2 the consent of the Republic of Kazakhstan ministry of Energy (or its legal assignee) to the issuance of new shares of Caspian Sunrise as objects connected with the subsoil use pursuant to Articles 42.1.6 and 44.1 of the RK Code Concerning Subsoil and Subsoil Use having been obtained;
- 3 the passing at the General Meeting of Resolution 1;
- 4 the approval of the companies registrar of the Jebel Ali Free Zone Authority to the transfer of the shares in Prosperity Petroleum from the Sellers to the Company ("JAFZA Registration"); and
- 5 Admission of the Consideration Shares occurring by the long stop date of 30 June 2020 (unless extended by agreement of the parties),

but all or any of the conditions (other than the passing at the General Meeting of Resolution 1) may, if capable of waiver, be waived (either in whole or in part) at any time by the Company.

Conduct of business

Pending completion of the Acquisition the Sellers will procure that Prosperity Petroleum and its subsidiaries will:

- 1 continue to carry on the business in the normal course in compliance with all laws and regulations applicable to them and in the same manner as the business has been carried on before the date of this Circular so as to maintain the business as a going concern with a view to profit; and
- 2 not conduct their affairs in a manner which could reasonably be considered as damaging or otherwise prejudicial to goodwill or relationships with customers, suppliers or employees.

Certain customary specific restrictions on the conduct and operations of Prosperity Petroleum and its subsidiaries (including restrictions on material changes of business, the granting of security over assets, and the issuance of further shares) are set out in the Share Purchase Agreement.

Termination of rights

The Company is entitled (but not obliged) to terminate the Share Purchase Agreement prior to completion of the Acquisition in the event:

- 1 of a material breach of warranty or other provision of the Share Purchase Agreement; or
- 2 of a material breach of the conduct of business restrictions referred to above; or

- 3 that a material adverse change occurs to the business, operations, assets or liabilities of Prosperity Petroleum.

Warranties and claim limitations

The Share Purchase Agreement contains customary warranties from the Sellers to the Company. The maximum aggregate liability of the Sellers shall not exceed the pound Sterling equivalent of US\$25 million at an exchange rate of £1/\$1.30 in relation to warranty claims. The liability of the Sellers in respect of warranty claims shall terminate 24 months from the date of completion of the Acquisition, except in respect of any warranty claims of which notice was given to the Sellers prior to the end of the 24 month period. The liability of the Sellers in respect of any warranty claims notified prior to the end of the 24 month period shall terminate unless legal proceedings in respect of the relevant warranty claim have commenced by being issued and served within nine months after giving notice of such claim. The Company will have recourse to Consideration Shares held by the Sellers in securing satisfaction for any warranty claims.

Completion timing

Shareholders should note that the timing of the Acquisition is conditional on the satisfaction of all of the Acquisition Conditions, including in particular receipt of the approvals from the appropriate Kazakh authorities, the likely timing of which are not known as at the date of the publication of this Circular. This is reflected in the expected timetable set out on page 4 of this Circular. The Company will announce the satisfaction of all Acquisition Conditions and the definitive timetable in due course. The long stop date for the satisfaction of all Acquisition Conditions is 30 June 2020.

If the Acquisition Conditions are not satisfied by this date, and the date is not extended by agreement between the parties, the Company will not issue the Consideration Shares and the Acquisition will not complete.

5 Reasons to vote in favour of the Acquisition

The Company's management believe it is in the Company's interest to participate in the exploration of potential oil producing blocks in the Northern Caspian Sea.

Ownership of the only drilling vessel of its type believed to be currently operational to explore the shallow parts of the region is expected to permit the Company to be invited into consortia formed to explore these assets.

In the event direct participation in the relevant blocks is not possible the Independent Directors believe an attractive financial return could be generated by hiring out the Caspian Explorer to third parties.

The Consideration Shares are being issued at a premium of 27.7 per cent. to the closing mid-market price for the Ordinary Shares on 20 January 2020, the last practicable date before the publication of this Circular.

6 Concentration of Ownership

Following the completion of the Acquisition the Oraziman Family's shareholding in the Company will increase from 42.9 per cent. of the Issued Ordinary Shares to 44.2 per cent. of the Enlarged Share Capital. The Independent Directors do not believe this is materially detrimental to the Company.

The Panel has given its consent that the issue of shares to the Oraziman Family (pursuant to the Acquisition outlined in this Circular) does not require the Oraziman Family to make a mandatory Rule 9 offer under the Takeover Code (pursuant to Note 4 on Rule 9.1 of the Code) and accordingly does not require Independent Shareholders to vote on a waiver of the obligations of the Oraziman Family under the same rule.

7 Lock-in arrangements

Pursuant to the Share Purchase Agreement, each of the Sellers have undertaken to the Company, subject to certain exemptions, not to dispose of any of the Consideration Shares for a period of three months from the completion of the Acquisition.

Such restriction will not apply, *inter alia*, in the event of the death of the relevant individual or an intervening court order, or to the acceptance of an offer for the Company (for which the relevant Seller may give an irrevocable undertaking to accept), or where the Company agrees to waive the restriction.

8 Relationship Agreement

The Company and each member of the Oraziman Family will enter into a relationship agreement pursuant to which each member of the Oraziman Family will undertake to the Company and to WH Ireland, in or acting in their capacity as Shareholders and not in any other capacity, that he/she would use the voting powers attaching to the Ordinary Shares held by him/her to, amongst other things, ensure no directors are appointed or removed without the consent of the board, ensure the board comprises at least two independent directors and to ensure that any committee of the board of the Company is comprised of a majority of independent directors.

Under the agreement each member of the Oraziman Family will also agree not to do anything that would have the effect of preventing the Company complying with the AIM Rules or other applicable laws or seek to cancel the admission of the Ordinary Shares to trading on AIM. Further, transactions between the Company and any member of the Oraziman Family, in or acting in their capacity as Shareholders and not in any other capacity, must be approved by a majority of the independent directors.

The relationship agreement will be effective from the earlier of Admission of the Consideration Shares until such time as the Oraziman Family ceases to hold, in aggregate, 20 per cent. or more of the aggregate voting rights in the Company. The relationship agreement is governed by English law and the courts of England have exclusive jurisdiction to settle any dispute arising in connection with the relationship agreement.

9 Irrevocable Undertakings

Edmund Limerick has agreed to provide an irrevocable undertaking to vote in favour of all the Resolutions in respect of his 4,095,000 ordinary shares representing approximately 0.22 per cent. of the Issued Ordinary Shares of the Company.

10 Related Party Transaction

60 per cent. of the shares in Prosperity Petroleum are held by Aibek Oraziman, the adult son of Kuat Oraziman, CEO and an 18.8 per cent. shareholder in the Company. As a result of the Oraziman Family's interest in the Caspian Explorer the Acquisition is a Related Party Transaction pursuant to Rule 13 of the AIM Rules.

The Independent Directors consider, having consulted with WH Ireland, that the Acquisition on the terms of the Share Purchase Agreement are fair and reasonable insofar as Shareholders of Caspian Sunrise are concerned.

11 Substantial Property Transactions

By reason of Kuat Oraziman's directorship of the Company the Acquisition will constitute a substantial property transaction requiring Shareholders' approval pursuant to section 190 of the Companies Act.

In May 2018 the Company conditionally agreed to acquire the entire issued share capital of 3A Best from sellers that included Rafik Oraziman. Completion of the 3A Best Acquisition occurred on 22 January 2019. By reason of Kuat Oraziman's directorship of the Company the 3A Best Acquisition constituted a substantial property transaction requiring members' approval pursuant to section 190 of the Companies Act. A Resolution is being proposed to affirm the 3A Best Acquisition in accordance with section 196 of the Companies Act.

12 Authority to allot new Ordinary Shares

The Company will fund the consideration payable for the Acquisition by the issue of, in aggregate, 160,256,410 new Ordinary Shares, of which 96,153,846 would be issued to members of the Oraziman Family.

The Company will complete the issue and allotment of the Consideration Shares under the authorities and powers granted by Shareholders at the AGM, and accordingly no specific authorisation is being sought at the General Meeting in connection with such share issuance.

The Company will seek general authority to issue Ordinary Shares for other purposes; the number of such Ordinary Shares will be determined by the number of Ordinary Shares in issue following the completion of the Acquisition. The authority sought by these Resolutions will supersede and replace any existing but unused authority to issue Ordinary Shares that the Directors might have. If these

Resolutions are not passed the existing authorities and powers granted at the Annual General Meeting will remain in force.

13 General Meeting

You will find set out at the end of this Circular the Notice convening the General Meeting to be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG at 11:00 a.m. on Thursday 13 February 2020, at which the necessary Shareholder approvals in connection with Proposals will be proposed, comprising the Resolutions.

Resolutions regarding the Acquisition:

- a) **Resolution 1** is an ordinary resolution to approve pursuant to section 190 of the Companies Act the entry by the Company into the SPA, one of the counterparties to which is Mr Aibek Oraziman, being a member of the Oraziman Family and therefore connected with Mr Kuat Oraziman, a director, on the terms and subject to the conditions set out therein.

General Resolutions:

- b) **Resolution 2** is an ordinary resolution to authorise the directors of the Company to allot relevant securities in connection with rights issues and other pre-emptive issues of Ordinary Shares and otherwise up to an aggregate nominal amount of £6,809,724.31, being equal to approximately one third of the Enlarged Share Capital, subject to a rolling limit of one third of the then current issued share capital of the Company following the completion of the Acquisition and the issue of Ordinary Shares pursuant thereto. If the Acquisition is not completed then the maximum nominal value of equity securities that the directors will have the authority to allot will be equal to one third of the aggregate nominal value of the Issued Ordinary Shares. This Resolution is not conditional on the passing of any other Resolution; if other Resolutions fail such that the Consideration Shares cannot be issued, the authority granted pursuant to this Resolution will simply replace the like general authority approved at the AGM but with reference to the Issued Ordinary Shares rather than the share capital of the Company in existence at the time of publication of the notice of the AGM.
- c) **Resolution 3**, which is conditional on the passing of Resolution 2, is a special resolution to disapply the statutory pre-emption rights in the Companies Act and to authorise the directors of the Company to allot equity securities in connection with rights issues and otherwise in connection with pre-emptive issues of Ordinary Shares up to an aggregate nominal amount of £3,064,375.94, being equal to approximately 15 per cent. of the Enlarged Share Capital, subject to a rolling limit of 15 per cent. of the then current issued share capital of the Company following the completion of the Acquisition and the issue of Ordinary Shares pursuant thereto. If the Acquisition is not completed then the maximum nominal value of equity securities that the directors will have the authority to allot will be equal to 15 per cent. of the aggregate nominal value of the Issued Ordinary Shares. This Resolution is conditional only on the passing of Resolution 2; if other Resolutions fail such that the Consideration Shares cannot be issued, the powers granted pursuant to this Resolution will simply replace the like powers approved at the AGM but with reference to the Issued Ordinary Shares rather than the share capital of the Company in existence at the time of publication of the notice of the AGM.

Resolution regarding the 3A Best Acquisition:

- d) **Resolution 4**, which is not conditional on the passing of any other Resolution, is a resolution to affirm the 3A Best Acquisition, one of the counterparties to which is Mr Rafik Oraziman, a member of the Oraziman Family and therefore connected to Mr Kuat Oraziman, a director, on the terms and subject to the conditions set out in the Company's relevant announcements.

All Shareholders may attend the General Meeting and vote on all Resolutions (including members of the Oraziman Family and the Concert Party).

14 Action to be taken

A Form of Proxy for use in connection with the General Meeting is enclosed. Whether or not you intend to attend the General Meeting, it is important that you duly complete, execute and return the enclosed Form of Proxy, by hand or by post, to Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 7AF in accordance with the instructions printed thereon. To be valid, the completed Form of Proxy

must be returned as soon as possible and, in any event, so as to arrive not later than 11.00 a.m. on Tuesday 11 February 2020, being 48 hours before the time for holding the General Meeting. Completion and return of the Form of Proxy will not prevent Shareholders from attending and voting at the General Meeting in person should they wish to do so.

Alternatively, you may appoint a proxy in one of the following ways:

1. via the CREST electronic proxy appointment service (for CREST members); or
2. by voting electronically, by no later than Tuesday 11 February 2020 at 11.00 a.m., by visiting www.signalshares.com. You will be asked to enter the Investor Code shown on your share certificate and agree to certain terms and conditions.

15 Admission, Settlement, Dealing and Total Voting Rights

Admission of the Consideration Shares is conditional on the satisfaction of the Acquisition Conditions. The expected timetable for the Acquisition is set out on page 4 of this Circular and the Company will announce definitive timing for completion of the Acquisition in due course following satisfaction of the Acquisition Conditions, following which application for the Consideration Shares will be made.

The Consideration Shares, when issued, will rank *pari passu* in all respects with the Issued Ordinary Shares. The total number of Ordinary Shares in issue following the issue of these shares will be 2,042,917,925.

The Company has no shares in treasury, therefore (subject to any further share issuance prior to Admission in respect of all of such shares) this figure may be used by Shareholders, from Admission in respect of all of such shares, as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

16 Recommendation

The Independent Directors consider Resolutions 1 (approval of the Acquisition) and 4 (affirmation of the 3A Best Acquisition) to be fair and reasonable and in the interests of Shareholders as a whole.

Accordingly the Independent Directors unanimously recommend that all Shareholders vote in favour of Resolutions 1 and 4, at the General Meeting as they intend or have undertaken to do in respect of their entire holdings which amount to 4,095,000 Ordinary Shares (representing approximately 0.22 per cent. of the Issued Ordinary Shares).

With regard to all other Proposals (excluding Resolutions 1 and 4), the Directors consider such Proposals and the other Resolutions to be fair and reasonable and in the interests of Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 2 and 3 as they intend or have undertaken to do in respect of their entire holdings which amount to 45,580,330 Ordinary Shares (representing approximately 2.41 per cent. of the Issued Ordinary Shares).

17 Responsibility

The Directors, whose names appear on page 9 of this Circular, accept responsibility for the information (including any expressions of opinions) contained in this Circular, save for the recommendations made by the Independent Directors in respect of Resolutions 1 and 4 set out in the preceding paragraph 16 of Part I entitled "*Recommendation*", for which the Independent Directors are solely responsible. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully

Clive Carver
Executive Chairman

PART II

NOTICE OF GENERAL MEETING

Caspian Sunrise PLC

(Incorporated and registered in England and Wales with number 05966431)

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Caspian Sunrise PLC (the “**Company**”) will be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG on Thursday 13 February 2020 at 11:00 a.m., for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions 1, 2 and 4 will be proposed as ordinary resolutions and Resolution 3 will be proposed as a special resolution.

In this notice, words and phrases that are defined in the circular to Shareholders dated 21 January 2020 have the same meanings unless the context requires otherwise.

ORDINARY RESOLUTIONS

1. **THAT**, pursuant to section 190 of the Companies Act, the entry by the Company into the Share Purchase Agreement, one of the counterparties to which is Mr Aibek Oraziman, being a member of the Oraziman Family and therefore connected with Mr Kuat Oraziman, a director, be and is hereby approved subject to such amendments as the Independent Directors shall, in their sole discretion, consider necessary or desirable, to such extent as shall not constitute a material amendment to the terms and conditions of such agreement, and the directors or any duly authorised committee of the directors be hereby authorised to take all steps necessary or desirable to perform the Company’s obligations under the Share Purchase Agreement.
2. **THAT**, in accordance with section 551 of the Companies Act, in substitution for any existing and unexercised authorities the directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the Act), provided that this authority shall be limited to the allotment of equity securities:
 - a. up to the nominal value of all the unissued shares, in connection with a rights issue (as defined in the Listing Rules issued by the Financial Conduct Authority pursuant to Part VI of the Financial Services and Markets Act 2000), open offer or other pre-emptive offer to holders of equity securities, in proportion to their respective entitlements to such equity securities, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
 - b. otherwise than pursuant to paragraph (a) of this Resolution 2, the allotment of equity securities up to an aggregate nominal value equal to £6,809,724.31, provided such allotment represents no more than one-third of (a) the aggregate nominal value of the ordinary share capital of the Company in issue following the allotment of all or any part of the Consideration Shares from time to time, or (b) if no Consideration Shares are allotted, the aggregate nominal value of the ordinary share capital of the Company in issue on 20 January 2020, being the latest practicable date prior to the publication of the notice of the General Meeting at which this Resolution will be proposed,

provided that this authority shall expire (unless previously revoked, varied or renewed) on the conclusion of the Annual General Meeting of the Company to be held in 2020 or, if earlier, 15 months after the date on which this resolution has been passed, save that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the directors may allot such equity securities pursuant to such offer, agreement or other arrangement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

3. **THAT**, subject to and conditional on the passing of Resolution 2, in substitution for any existing and unexercised powers the directors be and they are hereby empowered pursuant to section 570 of the Companies Act to allot equity securities (within the meaning of section 560 of the Companies Act) wholly for cash pursuant to the authority conferred by Resolution 2 above as if section 561 of the Companies Act or any pre-emption provisions contained in the Company's articles of association did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
- a. up to the nominal value of all the unissued shares, in connection with a rights issue (as defined in the Listing Rules issued by the Financial Conduct Authority pursuant to Part VI of the Financial Services and Markets Act 2000), open offer or other pre-emptive offer to holders of equity securities, in proportion to their respective entitlements to such equity securities, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
 - b. otherwise than pursuant to paragraph (a) of this Resolution 3, the allotment of equity securities up to an aggregate nominal value equal to £3,064,375.94, provided such allotment represents no more than 15 per cent. of (a) the aggregate nominal value of the ordinary share capital of the Company in issue following the allotment of all or any part of the Consideration Shares from time to time, or (b) if no Consideration Shares are allotted, the aggregate nominal value of the ordinary share capital of the Company in issue on 20 January 2020, being the latest practicable date prior to the publication of the notice of the General Meeting at which this Resolution will be proposed,

provided that this power shall expire (unless previously revoked, varied or renewed) on the conclusion of the Annual General Meeting of the Company to be held in 2020 or, if earlier, 15 months after the date on which this resolution has been passed, save that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the directors may allot such equity securities pursuant to such offer, agreement or other arrangement as if the power conferred hereby had not expired.

ORDINARY RESOLUTION

4. **THAT**, pursuant to section 196 of the Companies Act, the entry by the Company of the 3A Best Acquisition, one of the counterparties to which is Mr Rafik Oraziman, being a member of the Oraziman Family and therefore connected with Mr Kuat Oraziman, a director, be and is hereby affirmed subject to such amendments as the Independent Directors shall, in their sole discretion, consider necessary or desirable, to such extent as shall not constitute a material amendment to the terms and conditions of such acquisition, and the directors or any duly authorised committee of the directors be hereby authorised to take all steps necessary or desirable to perform the Company's obligations in respect of such acquisition.

By Order of the Board
Clive Carver
Executive Chairman

21 January 2020

Registered Office:
Caspian Sunrise PLC
5 New Street Square
London
EC4A 3TW

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
2. A proxy does not need to be a shareholder of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting, you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
4. To be valid any proxy form or other instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of attorney or authority, completed and signed and must be received by post or (during normal business hours only) by hand at Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, no later than 48 hours before the time appointed for the meeting or for any adjournment thereof. In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
5. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 10 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
6. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company as of close of business on Tuesday 11 February 2020 (or, in the event of any adjournment, as of close of business on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. As at 20 January 2020 (being the last business day prior to the publication of this notice) the Company's issued share capital consisted of 1,882,660,885 Ordinary Shares, carrying one vote each. Of these shares none are held in treasury and therefore do not have voting rights. Therefore, the total voting rights in the Company as at 20 January 2020 are 1,882,660,885.
8. Shareholders may vote electronically, by no later than 11.00 a.m. on 11 February 2020, by visiting www.signalshares.com. You will be asked to enter the Investor Code shown on your share certificate and agree to certain terms and conditions. CREST shareholders may lodge their proxy via the CREST system (see below).
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is 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 registrars (ID RA10) by the latest time(s) for receipt of proxy appointments specified above. 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 Application Host) from which the Company's registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.
13. 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.
14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
15. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended

proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the proxy form and would like to change the instructions using another proxy form, please contact Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

16. In order to revoke a proxy instruction you will need to send a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the registered office of the Company. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. The original of any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of authority) must be included with the revocation notice.

The revocation notice must be received by the Company no later than 11.00 a.m. on Tuesday 11 February 2020 and a copy must be sent or delivered to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

17. Except as provided above, shareholders who have general queries about General Meetings should use the following means of communication:

Call our Registrars, Link Asset Services' Shareholder Enquiries on 0871 664 0300 (from outside the UK +44 371 664 0300). Calls cost 10p per minute plus network extras. Lines are open from 9am to 5.30pm Monday to Friday. No other means of communication will be accepted.

