

Pharos Energy plc (“Pharos” or the “Company”)



Dealing Policy

Dealings in the Company’s shares by PDMRS, Staff Members, Closely Associated Persons and Other Insiders

Approved by
the Board of Directors
7 December 2017

DEALINGS IN THE COMPANY'S SHARES **BY PDMRS, Pharos STAFF MEMBERS, CLOSELY ASSOCIATED** **PERSONS AND OTHER INSIDERS**

This policy applies to Persons Discharging Management Responsibility ("**PDMRs**") (*see Note 2*), Pharos Staff Members ("**Staff Members**") (*see Note 3*), Closely Associated Persons ("**CAPS**") (*see Note 4*) and or anyone else on an Insider List ("**Other Insiders**") (*see Note 7*).

PDMRs, Staff Members, CAPS and Other Insiders may only deal in the Company's shares in accordance with the EU Market Abuse Regulation, a copy of which may be obtained from the Company Secretary.

PDMRs and Staff Members must seek to ensure that their CAPs (including fund managers both of themselves and of their CAPs) comply with these rules. Permission to trade cannot be given during close periods (*see Note 5*) or when there exists unpublished inside information (*see Note 6*) (except in certain very limited circumstances).

The following indicates the steps to be followed when a PDMR, Staff Member, CAP or Other Insider is considering dealing in the shares of the Company:

RECEIVE CLEARANCE

1. A PDMR, Staff Member, CAP or Other Insider **must receive clearance before dealing** in the Company's shares. A request for such permission must be directed to the Managing Director & CFO with a copy to the Company Secretary for authorisation by the Managing Director & CFO. A request by the Managing Director & CFO must be directed to the CEO for authorisation by the Chairman. The permission to deal should be granted or otherwise within 5 business days of application.
2. A form of application is available from the Company Secretary (*see Appendix 1*). In terms of the Policy, the permission to deal should be granted or refused within 5 business days of application, although would normally be dealt with sooner.
3. If permission is given, it will be confirmed in writing to the relevant party. The permission is valid for 2 business days, or earlier if the Company enters a close period or the PDMR, Staff Member, CAP or Other Insider becomes aware of any unpublished price sensitive information. After 2 business days, new clearance must be obtained before any trade is made.

Documentation in support of the request and whether the clearance has been given will be retained in the Company's files.

GIVE NOTIFICATION

Immediately following a share transaction – and no later than the close of business the next day - the PDMR or their CAP must **immediately notify the Company Secretary and the Financial Conduct Authority** of the following details using the mandatory online form (*see Appendix 2*):

- a) The name of the PDMR or CAP who made the trade.
- b) The date(s) and nature (e.g. purchase, sale etc.) of the transaction.
- c) The number(s) of shares traded.
- d) The price(s) per share at which the shares were traded.
- e) If the trade is by a CAP, the connection of the PDMR to that person.

REGULATORY ANNOUNCEMENT

The Company Secretary will prepare and issue the appropriate regulatory announcement without delay following receipt of notification. The requirement for an announcement to be made is restricted to PDMRs and their CAPs.

NOTES

1. If in any doubt as to the circumstances in which a share trade can be made, the detailed rules should be consulted and the MD/CFO should be contacted before any action is taken.
2. **Person Discharging Management Responsibility (“PDMR”)**
For this purpose, a PDMR is any Pharos Director or senior Pharos employee who has regular access to inside information relating, directly or indirectly, to the Company and has the power to make managerial decisions affecting the future development and business prospects of the company. The Company Secretary will maintain a list of such persons.
3. **Pharos Staff Member (“Staff Member”)**
For this purpose, a Staff Member is any person performing an ongoing role within the Pharos group.
4. **A Closely Associated Person (“CAP”)**
For this purpose, a CAP is a person whose association to a PDMR or Staff Member is of any of the following types:
 - a) the spouse, civil partner or child under 18 who is unmarried and does not have a civil partner;
 - b) a relative who, on the date of the transaction in question, has shared the same household as that person for at least 12 months;
 - c) a company in which the PDMR or Staff Member owns at least one fifth of equity share capital;
 - d) a body corporate in which the PDMR or Staff Member, or any person connected to him by virtue of (B) above is a director or senior executive who has the power to make management decisions affecting the future development and business prospects of that body corporate;
 - e) a trustee of a trust of which the PDMR or Staff Member is a beneficiary;
 - f) a partner in a firm in which the PDMR or Staff Member is also a partner;
 - g) a legal person, trust or partnership which is set up for the benefit of the PDMR, Staff Member or a CAP; and/or
 - h) a legal person, trust or partnership, the economic interests of which are substantially equivalent to those of the PDMR, Staff Member or CAP.
5. **Close periods include**
 - a) the period prior to the release of the Company’s preliminary year-end report or interim financial report which shall be 60 days or any such longer period as may be notified to you by the Company;
 - b) any other time that you have been informed that the Company is in a close period.
6. **Definition of “Inside Information”**
 - a) Inside information is information of a precise nature which:
 - i. Is not generally available,
 - ii. Relates, directly or indirectly, to one or more issuers of the qualifying investments or to one or more of the qualifying investments, and
 - iii. Would, if generally available, be likely to have a significant effect on the price of the qualifying investments or on the price of related investments.
 - b) Information is precise if it:
 - i. indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur; and
 - ii. is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of qualifying investments or related investments;
 - c) information would be likely to have a significant effect on price if and only if it is information of that kind which a reasonable investor would be likely to use as part of the basis of his investment decisions;

7. **An “Other Insider” includes any other person on a Pharos Insider List, such as:**
- a) those responsible for dealing with public announcements or having a key corporate finance or strategic role, or a key role in evaluating financial performance or overseeing legal services;
 - b) on a prudent basis, potentially, secretaries or personal assistants for each of the above persons

APPENDIX 1

REQUEST FOR CLEARANCE TO DEAL IN SECURITIES OF THE COMPANY

This document will form part of the formal records of Pharos Energy plc and may be required for inspection by the Financial Conduct Authority.

I, in accordance with the Pharos Energy plc Interim Dealing Policy, hereby request clearance to deal in Pharos Energy plc securities as indicated below:

Name of the party making the deal (if different from the above)	
Please describe the connection to the above named	
Description of securities	<ul style="list-style-type: none"> ■ Ordinary Shares of £0.05 each ■ Share Options/Awards
Number of securities (if not known, please provide estimate)	
Nature of deal	<ul style="list-style-type: none"> ■ Acquisition ■ Disposal ■ Non-market transfer (e.g. to spouse) ■ Trading Plan ■ Other
Other information (please disclose any additional material facts which may affect the decision as to whether clearance to deal will be granted)	

I am not in possession of any unpublished price-sensitive information relating to Pharos International plc securities. By dealing, I would not be in breach of the Policy or any applicable law or regulation in relation to dealing in publicly traded securities. If this should change at any time before the dealing, I undertake not to proceed with the dealing.

Signed:.....

Date:.....

PURSUANT TO THE CODE, CLEARANCE TO DEAL IS: <input type="checkbox"/> GRANTED AND VALID UNTIL THE CLOSE OF BUSINESS (expiry date)* <input type="checkbox"/> NOT GRANTED Signed: Date:

* Clearance to deal must be reapplied for after this expiry date.

Please e-mail this form to Jann Brown (jbrown@pharos.energy) with copy to the Company Secretary at cosec@pharos.energy.

APPENDIX 2

TRANSACTION NOTIFICATION

By PDMRs or CAPs

1) Notification to the Financial Conduct Authority

Notifications to the FCA should be completed using the online form at:

https://marketoversight.fca.org.uk/electronicssubmissionsystem/MaPo_PDM



Persons Discharging Managerial Responsibilities and persons closely associated with them notification

This system is for the use of persons discharging managerial responsibilities (PDMRs) as well as persons closely associated with them to notify transactions to the FCA under Article 19(1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse ("The Market Abuse Regulation").

The form provided in this system constitutes the "secure means of transmission" mandated in Article 2 of Regulation (EU) 2016/523. PDMRs as well as persons closely associated with them are required to use this form when submitting a notification under this article.

Once the form is completed, submitters will be sent an automated acknowledgement and the submitter will be required to click on a link to validate their email address. This link is valid for 3 working days. In the event that the submitter fails to confirm within this time, they will be sent another email with a new link for confirmation.

Email Address

Please provide valid email address

[Access PDMR Notification](#)

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R Introduction

2) Notification to the Company

Please forward a copy of the completed form to (cosec@pharos.energy). Should you require any assistance in completing this for, please contact the Company Secretary.