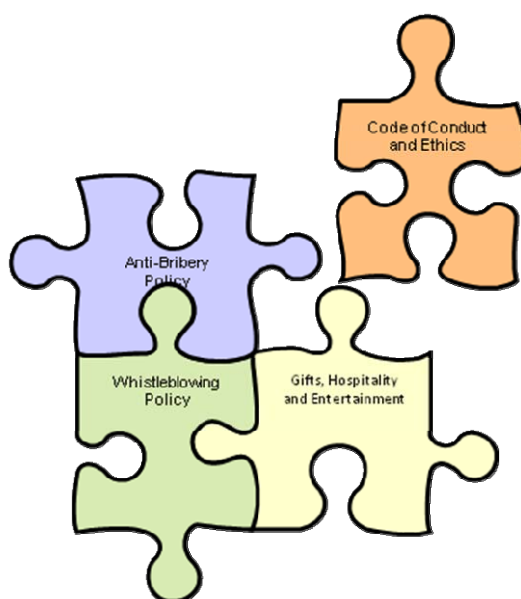


	Policy/Procedure	Reference	
		Version No.	
		Date	January 2014
		Page	1 of 7

WORKING WITH INTEGRITY

CODE OF BUSINESS CONDUCT AND ETHICS



Status	Owner	Checked	Approved

Table of Contents

1. Introduction
2. Definitions
3. Compliance with Laws and Regulations
4. Transparency
5. Theft, Fraud and Misappropriation of Company Assets
6. Conflicts of Interest
7. Equal Opportunity and Employee Discrimination
8. Financial Records
9. Confidential/Private Information
10. Business Partners
11. Countering Bribery
12. Gifts and Entertainment
13. Health, Safety and the Environment
14. Political Activities
15. Insider Trading
16. Violations of the Code of Conduct

1. Introduction

- 1.1 The Cadogan Petroleum plc ("**Cadogan**" or the "**Company**") Code of Business Conduct and Ethics (the "**Code of Conduct**") applies to the Cadogan Petroleum Group. The object of this Code of Conduct is to uphold the highest ethical standards with regard to the Group's corporate activities and its purpose is to establish a culture of honesty and integrity and contributes to provide guidance in the relationships with our Stakeholders.
- 1.2 The Audit Committee is responsible for setting the standards of business conduct contained in this Code of Conduct and periodically reviews it in a cycle of continuous improvement. The Audit Committee is responsible for periodically reviewing and updating these standards as appropriate to reflect changes in the legal and regulatory framework applicable to the Group from time to time, the business practices within the Group's industry, the Group's own business practices, and the prevailing ethical standards of the communities and legal and regulatory environments in which the Group operates. The Audit Committee, composed of independent non-executive directors, reports to the Board of Directors.
- 1.3 The Code of Conduct aims to develop a consistent understanding of, and approach to, the desired standards of conduct and behaviour of all those who work for, act on behalf of, or represent, the Group. This includes directors, officers, employees and contractors of the Group.
- 1.4 All Employees are required to comply with this Code of Conduct and the laws applicable in the jurisdiction where they work. The Code of Conduct does not cover every possible situation that Employees may face, but is intended to provide guidance to help them to take the right course of action, within an overall framework. We expect all Employees to uphold the highest standards of personal and professional ethical behaviour and integrity.

2. Definitions

"**Cadogan Petroleum Group**" or "**Group**" shall mean and include:

- (i) Cadogan Petroleum plc and its direct or indirectly held wholly owned subsidiaries;
- (ii) Cadogan Petroleum majority shareholdings: entities in which the Company, or its subsidiaries, holds a majority stake; and
- (iii) Cadogan Petroleum partnerships/joint ventures: entities in which the Company, or its subsidiaries or majority shareholdings, is engaged as a partner or in a joint venture.

"**Director**" means a director of any company within the Cadogan Petroleum Group.

"**Employee**" means an employee of any company within the Cadogan Petroleum Group.

3. Compliance with Laws and Regulations

- 3.1 Employees are required to observe ethical practices in all activities undertaken for and on behalf of the Cadogan Petroleum Group.
- 3.2 Employees must fully and diligently comply with all applicable laws and regulations, including this Code of Conduct. Every Employee is responsible for ensuring that they are familiar with all applicable laws and regulations relevant to their work. Under no circumstances should an Employee take any action or knowingly be a party to any action that is illegal or could be regarded as of doubtful legality. Ignorance of applicable laws and regulations will not be considered an appropriate reason for non-compliance.

4. Transparency

- 4.1 The Company is committed to pursue the highest standards of transparency and openness in its activities by having:
 - 4.1.1 Separation of duties between those authorizing transactions and those carrying them out;

- 4.1.2 Rules which are capable of providing reference principles for governing sensitive activities;
- 4.1.3 Signatory powers and powers of authorization set at the correct level appropriate to the role;
- 4.1.4 Traceability, between the relevant party or departments and/or the information systems used, to ensure the identification of sources, and by having checks carried out supporting the implementation of the Company's decisions, as well as financial resources management systems.

5. Theft, Fraud and Misappropriation of Company Assets

- 5.1 An Employee must not be involved in theft, fraud or misappropriation of Group assets. Disciplinary action and, in certain circumstances, civil or criminal action may be instituted in the event that an Employee is involved in such a theft, fraud or misappropriation of Group assets.

6. Conflicts of Interest

- 6.1 Employees should consistently maintain their integrity whilst carrying out their duties by avoiding all situations in which their personal interests conflict, or might appear to conflict with, their obligations to the Company.
- 6.2 Conflicts of interest can arise where personal interests and other allegiances are at odds with the interests of the Group. Employees should strive to avoid situations in which personal financial interests, outside activities or relationships conflict, or appear to conflict, with the legitimate interests of a company within the Group. Employees shall not allow business dealings on behalf of Cadogan to be influenced by personal considerations or relationships.
- 6.3 Employees should consult their manager if their own interests actually or potentially interfere, or might appear to interfere, with the interests of the Cadogan Petroleum Group so that it can be determined whether a conflict of interest exists. The Employee will be advised of the proper action to take.

7. Equal Opportunity and Employee Discrimination

- 7.1 The Company recognises the importance of valuing the many differences in background, culture and demographic characteristics of its Employees.
- 7.2 The Company will not permit discrimination, intimidation or harassment of, or by, Employees on the basis of race, gender, marital status, national origin or religious beliefs, or on the basis of any other personal characteristics protected by law. This is a fundamental principle of this Code of Conduct.
- 7.3 Discrimination is not permitted at any level of the Company or in any part of the employment relationship. This includes areas such as recruitment, promotion, training opportunities, salary, benefits and terminations.
- 7.4 The Company will treat all Employees according to their skills, qualifications, competencies and potential.

8. Financial Records

- 8.1 Accounting and financial records must be maintained which accurately reflect all Group transactions. There shall be no cash funds, bank accounts, investments or other assets which are not recorded or are inadequately recorded in the Group's accounting records.
- 8.2 Accounting and financial records must be adequately protected from destruction or tampering. The accounting and financial records must also be retained for a sufficient period of time to meet legal requirements.

9. Confidential / Private Information

- 9.1 Unless previously published, the Company's records, reports, papers, processes, plans and methods are proprietary and confidential. Employees should not reveal information concerning such matters without proper authorisation.
- 9.2 The Company records may include personal information. Personal information is information or an opinion about an individual whose identity is apparent or can be ascertained from the information or opinion. During the course of its activities, the Company may collect, hold and use personal information about suppliers of goods and services, customers, contractors and prospective and current Employees. Cadogan Petroleum will only collect and retain personal information that is necessary to meet business requirements, and as permitted by law in countries in which it operates.
- 9.3 Any personal information must be managed in a professional and ethical manner and is not to be used for any purpose or disclosed to any unauthorised person, whether within the Cadogan Petroleum Group or externally, other than in the proper exercise of their duties, without the permission of the individual concerned, unless authorised or required by law.

10. Business Partners

- 10.1 The Group expects its business partners, including associate companies or joint ventures, as well as its contractors and suppliers, to maintain high standards, compatible with the Company's standards.
- 10.2 The Group will use and supply only safe and reliable products and services.
- 10.3 The Group does not use, or threaten to use, unfair or unethical business practices to hurt its competition.
- 10.4 The Group will not enter into discussions with its competitors on prices, markets or products, or production or inventory levels.
- 10.5 The Group will market its products and services in an honest and fair manner.

11. Countering Bribery

- 11.1 The Group's reputation for honesty and integrity must not be put at risk by the offer of improper payments. Anti-bribery and anti-corruption laws apply to Employees worldwide. Employees must not offer, give or receive bribes or any payments, including facilitation payments, gratuities or gifts, directly or through a supplier, third party or agent, in order to obtain, retain or conduct business.
- 11.2 Employees should refer to the Group's *Anti-Bribery Policy* (available from the Company's website, www.cadoganpetroleum.com) for further guidance.

12. Gifts and Entertainment

- 12.1 Employees must not use their position to obtain personal gain or benefit (tangible or intangible) from those seeking to do business with the Company. The Group discourages all Employees from receiving gifts, other than those with little or no commercial value. Cash or cash value vouchers are not to be accepted under any circumstances.
- 12.2 Appropriate business entertainment to or from business partners or associates of the Company is permissible where it is designed to build relationships and understanding with business partners. However, entertainment should not be accepted if it would compromise, or appear to compromise, and the Employee's judgment or conduct in business decisions or if it could be construed as a bribe or improper inducement. Further information is available in the Group's *Gifts, Hospitality and Entertainment Policy*, which is available on the Group's website, www.cadoganpetroleum.com.

13. Health, Safety and the Environment

- 13.1 The Group recognizes its social responsibilities and aims to continuously improve the quality of life of its workforce, their families and the communities in which it operates. Excellence in managing health, safety and environmental responsibilities is essential to the long-term success of the Group. Through effective management practices, the Group aims to ensure the health and safety of its officers, employees, contractors, suppliers, consultants and other stakeholders, thus minimizing any adverse impact its activities may have on the environment and making a positive contribution to the local community. To achieve these aims the Group will:
- (i) Ensure that every Director, officer, employee, contractor, supplier and consultant understands their accountability in performing their role and using their skills in a manner that does not compromise the health and safety of themselves or others, or lead to environmental damage;
 - (ii) Comply with all laws and regulations that are applicable to its activities. The Group will endeavor to prevent, minimise, mitigate and remediate, harmful effects of its activities on the environment;
 - (iii) Ensure resources are always available to systematically manage health, safety and the environment through hazard identification, risk analysis and appropriate control measures;
 - (iv) Develop and introduce policies that: (i) permit the efficient use of natural resources; and (ii) allow for resource-saving and non-waste technologies; and
 - (v) Introduce modern systems of environmental management and International Standards Organisation's standards at all plants and facilities of the Company.
- 13.2 Employees have a responsibility to comply with safety rules and procedures and take reasonable care of their own health and safety and the health and safety of others who may be affected by their actions or omissions. Managers have a responsibility to make sure Employees are aware of health and safety regulations and need to report all accidents or dangerous occurrences to the appropriate person and take adequate preventive actions.

14. Political Activities

- 14.1 The use of the Group's funds, property, services or things of value for or in aid of political parties or candidates for public office is prohibited. Any exception requires the prior written approval of the Audit Committee.
- 14.2 No corporate asset may be used for or in aid of any committee whose principal purpose is to influence the outcome of a referendum or other vote of the electorate on a public issue.
- 14.3 Employees are free to participate in political activities as they see fit, on their own time and at their own expense. No reward, compensation or reimbursement for such activity or the expense thereof shall be made by the Group directly or indirectly.

15. Insider Trading

- 15.1 Laws against insider trading make it illegal to deal in shares of a listed company while in possession of material information about the Company which has not become public.
- 15.2 If Employees are in possession of information concerning the Company that is not generally available, and which a reasonable person would expect to have a material effect on the share price of the Company, it is unlawful for them to buy, sell or otherwise deal in the Company's shares. It is also unlawful in those circumstances to encourage someone else to deal or to pass the information to someone they know may use the information to buy or sell shares.

16. Violations of the Code of Conduct

- 16.1 All Employees have a duty to report any known or suspected violations of this Code of Conduct or of applicable laws, rules or regulations. In the event of any observed violation of this Code of Conduct,

an Employee should in the first instance advise their manager. Alternatively, Employees may report such an event in writing to the Chairman of the Audit Committee. If you are working outside of the UK, any report may be made in your own language. The contact details are:

Email: Chairauditcom@cadoganpetroleum

Address: Chairman of the Audit Committee
c/o Cadogan Petroleum plc
Capita Registrars
Ibex House,
42-47 Minories,
London
EC3N 1DX

Alternatively, Employees may use the procedures set out in the Group's *Whistleblowing Policy*, a copy of which is available on the Company's website, www.cadoganpetroleum.com.

- 16.2 Any Employee who, in good faith, reports a breach or suspected breach of this Code of Conduct will not be subject to retaliation or retribution for making that report. Any reprisal or retaliation will be subject to disciplinary action, including potential termination of employment.
- 16.3 Any identified breach of this Code of Conduct will be swiftly and appropriately dealt with, including disciplinary action where appropriate (which may include termination of employment, removal from a position or a written warning) and preventative measures.