

**Explanatory notes to the agenda of the Annual General Meeting of shareholders (AGM) of Curcas Oil N.V. (the Company) to be held at the offices of the Company, Haaksbergweg 71, 1101 BR Amsterdam, the Netherlands, on 30 January 2012**

**1 Explanation to item 3(a) and 3(b) - report of the management and adoption of the annual accounts FY 2010**

“For the relevant facts and circumstances for the resolution reference is made to the statutory accounts for the financial year 2010, the report of the management and the preliminary advice of the supervisory board. The annual accounts have been compiled by Mazars Paardekooper Hoffman N.V. “

**2 Explanation to item 3(c) - determination and allocation of the profits for FY 2010**

This agenda item is an annually recurring item. The Company has not realised any profit over the financial year 2010.

**3 Explanation to item 3(d) - granting of discharge to the members of the management board for their management for FY 2010**

This agenda item is an annually recurring item. For the relevant facts and circumstances for this resolution reference is made to the annual accounts for the financial year 2010.

**4 Explanation to item 3(e) - granting of discharge to the members of the supervisory board for their supervision for FY 2010**

This agenda item is an annually recurring item. For the relevant facts and circumstances for this resolution reference is made to the annual accounts for the financial year 2010.

**5 Explanation to item 4 - appointment of the auditor for FY 2011**

According to the Company's articles of association the appointment of the external auditor is subject to approval in the AGM. The management board of the Company intends to instruct the external auditor Baker Tilly Berk N.V. to audit the annual accounts of the Company for the financial year 2011.

**6 Explanation to item 5 - proposal to publish the annual report exclusively in the English language**

This agenda item is based on Dutch corporate law. It sees to the confirmation of the shareholders that the annual accounts of the Company and, if applicable, the management report and the supervisory report, shall be drawn up in the English language for future financial years until a resolution of shareholders is adopted to the contrary.

**7 Explanation to item 6 - proposal to designate the management board of the Company as the competent body to (i) issue shares and (ii) to limit or exclude the pre-emptive rights of current shareholders to the management board of the Company**

On 25 November 2008, the general meeting of shareholders has designated the management board as the authorized body for a period of five years to issue a maximum of 300,000,000 shares with a nominal value of EUR 0.01. On 8 June 2011 the Company's articles of association have been amended and as part of this amendment each ten shares with a nominal value per share of EUR 0.01 have been consolidated into one share with a nominal value per share of EUR 0.10. It is desired to replace the current designation of 25 November 2008 by a new designation that is in conformity with the current value per share.

Now therefore the management board proposes, which proposal has been approved by the supervisory board, to renew the designation of the management board as the competent body to issue shares in the Company's capital for a period of five years as from the date of the

shareholders meeting, thus ending on 29 January 2017. This authority entails the right to issue a maximum of 37,589,411 shares, each share with a nominal value of EUR 0.10.

In connection with the proposal to designate the management board as the competent body to issue shares in the Company's capital, it is also proposed to designate the management board as the competent body to limit or exclude any pre-emptive rights that current shareholders may have in case of a share issue by the management board for a period of five years as from the date of the shareholders meeting, thus ending on 29 January 2017.

The proposals in this agenda item 6 enable the management board to immediately respond to any needs of the Company for additional equity if rapid action is required.

## **8 Explanation to item 7 - Proposal to approve the issuance of new shares to a new investor in the Company**

The Company has found a new investor, 21st Century Petroleum Corporation of America, willing to invest EUR 9,975,000 against issuance of 35,000,000 shares in the Company's capital against a share price of EUR 0.2850 per share, which equals 73.28% of the issued capital after the share issuance.

The Company will raise the required capital to:

- consolidate existing operations
- secure funds for further expanding operations in the existing countries
- enter into other countries
- develop new products with a higher value
- intensify research on seeds producing higher yields per hectare

### Proposed subscription price

The proposed subscription price represents a discount of 20% to the average volume-weighted prices in December 2011 as reflected on the Xetra system of Deutsche Börse AG, (amounting to €0.357 per share) and a discount of 8% in respect of January 2012 (amounting to €0.31 per share, calculated until 12 January 2012).

The proposed share issue to the potential investor would secure the future corporate financing of the Company and is therefore fundamentally important to enable the Company to continue successfully with the embarked corporate strategy. Against this background and given the current financial situation and the lack of other feasible financial resources available for the Company, the Management Board believes that the proposed discount to the current market conditions is justifiable and in the best interest of the Company and its existing shareholders

### Management and supervisory board recommendation

The management and supervisory board of the Company recommend to the shareholders to approve the aforementioned share issue as they believe it to be in the best interest of the Company taking into account the interest of all stakeholders. The financial situation of the Company does not make it feasible to attract capital from the existing shareholders by way of a rights issue. The Company will enter into arrangements with the investor to safeguard that the composition of the management and supervisory board of the company going forward will be such that the interest of the minority shareholders will be observed. Given the financial situation of the Company the management and supervisory board believe the proposed issue price to be fair and reasonable and in line with market practice for companies in a comparable situation.

Timing

The Company intends to reach final agreement with the investor ultimately on 17 January 2012 by signing a Share Subscription Agreement with a view to effect the share issue before 16 February 2012.