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If you have sold or transferred all your Ordinary Shares you should hand this Document together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in Ordinary Shares in the Company, you should retain these Documents.

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The London Stock Exchange Plc has not itself examined or approved the contents of this Document. AIM is a market designed primarily for emerging or smaller companies to which a higher degree of investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List and the AIM Rules are less demanding than those of the Official List.

THE BLACK SEA PROPERTY FUND LIMITED

(A company incorporated in Jersey with registration number 89392)

Proposals for

1. The removal of John Chapman, Stephen Coe and Andrew Wignall as Directors

and

2. Appointing the New Directors

and

Notice of an Extraordinary General Meeting

Your attention is drawn to the letter from the Chairman of The Black Sea Property Fund Limited set out on pages 5 to 6 of this Document. The Extraordinary General Meeting has been convened by the Directors in accordance with Article 89 of the Law in response to the Requisition for the purpose of considering the proposals set out in this Document.

Notice of an Extraordinary General Meeting of The Black Sea Property Fund Limited to be held at the offices of Saltgate Limited at 1 Waverley Place, Union Street, St Helier, Jersey JE1 1SG Channel Islands at 10.00 a.m. on 12th December 2014 is set out at the end of this Document. The enclosed Form of Proxy should, to be valid, be completed and returned in accordance with the instructions printed on it to Capita Asset Services, PXS1 34 Beckenham Road, Beckenham, Kent BR3 4ZF so as to be received before 10.00 a.m. on 10th December 2014 or 48 hours before any adjourned meeting. Completion and return of the Form of Proxy will not preclude a Shareholder from attending in person and voting at the Extraordinary General Meeting.

N+1 Singer, which is a member of the London Stock Exchange, is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting as nominated adviser to the Company in connection with the Proposals. Its responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire Ordinary Shares in the Company in reliance on any part of this Document. N+1 Singer has not authorised the contents of, or any part of, this Document and no representation or warranty, express or implied, is made by N+1 Singer as to any of the contents of this Document (without limiting the statutory rights of any person to whom this Document is issued). N+1 Singer will not be offering advice and will not otherwise be responsible to anyone other than the Company for providing the protections afforded to customers of N+1 Singer or for providing advice in relation to the contents of this Document or any other matter.

Copies of this Document will be available free of charge from the Company's registered office, 1 Waverley Place, Union Street, St Helier, Jersey, JE1 1SG, Channel Islands, and from the offices of N+1 Singer Advisory LLP, Bartholomew Lane, London EC2N 2AX during normal business hours and a copy is available on the website of The Black Sea Property Fund Limited at www.blackseapropertyfund.com.

18 November 2014

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Indicative timetable	2014
Publication of this Circular	18 November
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 10 December
Extraordinary General Meeting	10.00 a.m. on 12 December

Note:

Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service. References to time in this Document are to London time.

DEFINITIONS

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

“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the rules for companies whose securities are admitted to trading on AIM as published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company
“Board” or “Directors”	the directors of the Company at the date of this Document whose names are set out on page 5 of this Document
“Circular” or “Document”	this document dated 18 November 2014
“Company”	The Black Sea Property Fund Limited, a company incorporated in Jersey with registration number 89392
“EGM” or “Extraordinary General Meeting”	the Extraordinary General Meeting of Shareholders to be held at 1 Waverley Place, Union Street, St. Helier, Jersey, JE1 1SG Channel Islands at 10.00 a.m. on 12 th December 2014 and including any adjournment thereof
“FCA”	the Financial Conduct Authority
“Form of Proxy”	the form of proxy accompanying this Document for use at the Extraordinary General Meeting
“JFSC”	the Jersey Financial Services Commission
“Law”	the Companies (Jersey) Law 1991 and subordinate legislation made thereunder and every modification and re-enactment thereof for the time being in force
“London Stock Exchange”	the London Stock Exchange plc
“N+1 Singer”	N+1 Singer Advisory LLP (Registered in England and Wales with registered number OC364131 and registered with the FCA with number 568323)
“New Directors”	Alex Borrelli, the proposed Non-Executive Chairman, and Trevor Hunt, the proposed additional Non-Executive Director
“Official List”	the Official List of the UKLA
“Ordinary Shares”	participating shares of no par value each in the share capital of the Company

"Requisition"	the requisition of an EGM dated 28 October 2014 addressed to the Company from Fitel Nominees Limited, pursuant to Article 89 of the Law
"Resolution Directors"	John Chapman, Stephen Coe and Andrew Wignall
"Resolutions"	the resolutions as set out in the Notice of EGM contained within this Circular and "Resolution" shall mean any one of them as appropriate
"Shareholders"	registered holders of Ordinary Shares of the Company
"UK"	the United Kingdom of Great Britain and Northern Ireland
"UKLA"	the FCA acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000 (as amended)

Letter from the Chairman of The Black Sea Property Fund Limited

A company incorporated in Jersey with registration number 89392

Directors:

John Chapman - Chairman
Stephen Coe – Non-Executive Director
Antony Gardner-Hillman – Non-Executive Director
Andrew Wignall – Non-Executive Director

Registered Office:

1 Waverley Place
Union Street
St Helier
Jersey
JE1 1SG Channel Islands

18 November 2014

Dear Shareholders,

Fitel Nominees, the registered holder of 28.6 per cent of the Company's ordinary shares has requisitioned an extraordinary general meeting of the Company to remove three of the four Company directors and in their place appoint Trevor Hunt and Alexander Borrelli as new directors. If the requisition is successful the board would then comprise Messrs Hunt and Borrelli as well as Anthony Gardner-Hillman, who is a current Company director. Fitel Nominees is the nominee for Mamferay Holdings Limited, a Cypriot entity, which we are informed is entirely owned by AG Capital, a Bulgarian entity.

As shareholders will know, the Company had a limited lifespan and a limited objective. It has been in what would commonly be called liquidation since 2012 and this past June sold its last remaining property asset, Borovets. Following a final cash distribution in August 2014 and in accordance with the shareholder vote in 2012, the Black Sea board expected to cancel the Company's admission on AIM and to wind up the Company following a shareholder vote. Shareholders should note that at the same time as the final cash distribution, the Company became an investing company under Rule 15 of the AIM Rules for the Companies. As an investing company under Rule 15, Black Sea would be required to make an acquisition or acquisitions which constitute a reverse takeover under the AIM Rules or otherwise implement an investing policy approved at general meeting to the satisfaction of the London Stock Exchange within twelve months of becoming an AIM Rule 15 investing company. If this were not fulfilled, the Company would be suspended pursuant to AIM Rule 40.

AG Capital, which had acquired in excess of 28 per cent of the Company's shares this past Spring (a holding sufficient to block the AIM cancellation and wind up process) informed us that it opposed the resolution to wind up the Company and instead wanted the Company to continue in business and to retain its AIM quotation. At a later date we were approached by Peterhouse Corporate Finance on behalf of AG Capital with an alternative proposal to recommence investing in Bulgarian property assets (with AG Capital as a proposed new investment manager) under a new investing policy and to remain quoted on the AIM Market.

Over the last few months there has been a lot of back and forth with AG Capital and Peterhouse as well as the Jersey regulator concerning the future of Black Sea. Most recently, in a letter dated 30 October 2014, the Company asked Fitel Nominees to confirm on whose behalf the requisition was being made and whether it wished any supplementary details to be sent to shareholders for them to consider. The only response was confirmation that the shares were held on behalf of Mamferay Holdings Limited. A further suggestion to Peterhouse that they deliver an explanation of AG Capital's intentions (as had been provided in the earlier back and forth) was ignored. The Company and its advisors consequently have no verifiable information about AG Capital's track record as a fiduciary or how it would implement any reinvestment strategy.

AG Capital has described itself as the manager for Bulgarian Land Development or "BLD," an AIM quoted Isle of Man company that was floated in 2006 and delisted in 2010. BLD's website does not appear to be current and that company's last published financial statements are for the year ended 2012. Given the opaque nature of the various events preceding this requisition, three of the four Black Sea board members, administrator and lawyers have decided not to participate in any new strategy under the aegis of AG Capital and have indicated an intention to resign regardless of the outcome of this requisition. In addition, the Company's nominated adviser and broker indicated its intention to resign with effect from the earlier of the date that both Stephen Coe and I cease to be directors of Black Sea and the date of any delisting from AIM. Although it is understood that a replacement nominated adviser will be appointed at the same time as the current nominated adviser steps down, shareholders should note the Company's shares will be suspended pursuant to AIM Rule 1 if a replacement nominated adviser has not been appointed at that time, and will continue to be suspended until such time as the new nominated adviser's appointment has been announced. Furthermore, if within one month of the Company's suspension it still has not appointed a replacement nominated adviser, the admission of the Company's securities will be cancelled from AIM.

Following receipt of the Fitel requisition notice, the Black Sea board constituted a Special Committee of disinterested directors to consider the requisition notice. The Special Committee comprises Stephen Coe, Andrew Wignall and me. Because the Special Committee has not received any information about the future proposals of AG Capital as part of this requisition it recommends that shareholders do not support the requisition.

Very truly yours,

John D. Chapman
Chairman
The Black Sea Property Fund Limited

The Black Sea Property Fund Limited

A company incorporated in Jersey with registration number 89392

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders of The Black Sea Property Fund Limited will be held at 1 Waverley Place, Union Street, St. Helier, Jersey, JE1 1SG Channel Islands at 10.00 a.m. on 12th December 2014 to consider and, if thought fit, pass the following resolutions, each being proposed as ordinary resolutions and requiring the approval of a simple majority of the votes cast by the Shareholders.

ORDINARY RESOLUTIONS

THAT:

1. John Chapman be removed from the office of director of the Company with immediate effect;
2. Stephen Coe be removed from the office of director of the Company with immediate effect;
3. Andrew Wignall be removed from the office of director of the Company with immediate effect;
4. Trevor Hunt be appointed as a director of the Company with immediate effect; and
5. Alexander Borrelli be appointed as a director of the Company with immediate effect.

By Order of the Board

Company Secretary
1 Waverley Place
Union Street
St Helier
Jersey
JE1 1SG
Channel Islands

Registered Office:
1 Waverley Place
Union Street
St Helier
Jersey
JE1 1SG
Channel Islands

Date: 18 November 2014

NOTES TO THE NOTICE OF EGM

1. A Shareholder of the Company entitled to attend and vote at the meeting convened by the notice set out above is entitled to appoint a proxy to attend and, on a poll, to vote in his/her place. A proxy may demand, or join in demanding, a poll. A proxy need not be a Shareholder of the Company.
2. A Shareholder may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A Shareholder may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, a Shareholder should contact the Company's registrar Capita Asset Services, PXS1 34 Beckenham Road, Beckenham Kent BR3 4ZF
3. An instrument for the purposes of appointing a proxy is enclosed. To be valid, the instrument and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must be received at Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, before the time appointed for taking the poll and, in default, the instrument shall not be treated as valid.
4. In the case of a Shareholder which is a company, the instrument appointing a proxy must be executed under the Shareholder's common seal (or in any other manner permitted by law and having the same effect as if executed under seal) or under the hand of a duly authorised officer, attorney or other person.
5. Completion of the instrument appointing a proxy does not preclude a Shareholder from subsequently attending and voting at the meeting in person if he/she so wishes. If a Shareholder appoints a proxy and then attends the meeting in person, the proxy appointment will automatically be terminated.
6. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.
7. Pursuant to Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended), the Company specifies that only those members entered on the register of shareholders of the Company as at 10 a.m. on 10th December 2014 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after 10 a.m. on 10th December 2014 or, if the meeting is adjourned, on the register of members 48 hours before the time fixed for the adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. Any amendments you make to the Form of Proxy must be initialled by you.
9. Any capitalised terms used but not defined in this notice are as defined in the Circular of which this notice forms part.
10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting 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.
11. In order for a proxy appointment 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 (**EUI**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in this notice. 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 issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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(s), 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended).

THE BLACK SEA PROPERTY FUND LIMITED

FORM OF PROXY

EXTRAORDINARY GENERAL MEETING

I/We the undersigned,of
....., being the holder(s) of Ordinary Shares of the Company,
HEREBY APPOINT the Chairman of the Meeting or (see Note 1 in the notice of the meeting)
..... of as my/our Proxy to attend and to vote for
me/us and on my/our behalf at the EGM of the Company to be held at 1 Waverley Place, Union Street, St. Helier, Jersey,
JE1 1SG Channel Islands at 10.00 a.m. on 12th December 2014 and at any adjournment thereof.

I/We direct that my/our votes be cast as indicated by an "X" in the appropriate box below, all resolutions being proposed
as ordinary resolutions. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and
I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is
put before the EGM (see Note 2 in the notice of the meeting).

DESCRIPTION OF RESOLUTION	For	Against	Withheld
1. John Chapman be removed from the office of director of the Company with immediate effect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Stephen Coe be removed from the office of director of the Company with immediate effect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Andrew Wignall be removed from the office of director of the Company with immediate effect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Trevor Hunt be appointed as a director of the Company with immediate effect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Alexander Borrelli be appointed as a director of the Company with immediate effect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated this day of2014

Signature (see Note 3 in the Notes to the Notice of EGM)

Full name(s) in which Ordinary Shares are registered

PLEASE USE BLOCK LETTERS

Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the notice of meeting.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy this form indicating on each copy the name of the proxy you wish to appoint and

the number of shares in respect of which the proxy is appointed. All forms must be signed and should be returned together to the Company's registrars in the same envelope.

5. If the proxy is being appointed in relation to less than your full voting entitlement, please enter the number of shares in the space provided. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement; (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).
6. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. 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 meeting.
7. To appoint a proxy using this form, the form must be completed and signed, and sent by post to the Company's registrars using the business reply address on the form, or in an envelope addressed to, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF; or delivered by hand to the Company's registrars, Capita Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4UT during normal business hours; and received not less than 48 hours before the time for holding the meeting.
8. In the case of a member which is a corporation, this proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer or an attorney.
9. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
10. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent (ID: RA10) not less than 48 hours before the time for holding the meeting. See the notes to the notice of meeting for further information on proxy appointment through CREST.
11. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority is determined by the order in which the names of the holders stand in the Company's register of members in respect of the joint holding.
12. 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.
13. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.
14. You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.