

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO BLACKSTONE / GSO LOAN FINANCING LIMITED (THE "COMPANY") ON WHICH YOU ARE BEING ASKED TO VOTE.**

**If you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek immediately your own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the UK Financial Services and Markets Act 2000 if in the United Kingdom or otherwise regulated under the laws of your own country.**

If you have sold or otherwise transferred all of your Shares please send this Circular together with the accompanying Proxy Appointment Form at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular should be read as a whole. Your attention is drawn in particular to the letter from your Chair which is set out on page 3 of this Circular and which recommends that you vote in favour of the resolutions to be proposed at the annual general meeting of the Company (the "AGM") referred to in this Circular (the "Resolutions").

Unless otherwise defined herein, capitalised terms shall have the meaning set out in the Existing Articles of Association.

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## **BLACKSTONE / GSO LOAN FINANCING LIMITED**

(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 115628)

### **Notice of Annual General Meeting**

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The proposals described in this Circular are conditional on Shareholder approval at the AGM. The AGM will be held at the offices of BNP Paribas Securities Services, Liberté House, 19-23 La Motte Street, St Helier, Jersey JE2 4SY at 11 a.m. on 29 June 2016. The notice and Proxy Appointment Form in respect of the AGM are set out at the end of this Circular.

The Proxy Appointment Form must be lodged at Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU at least 48 hours before the commencement of the meeting. Completion of a Proxy Appointment Form will not preclude a Shareholder from attending, speaking and voting in person at the AGM.

19 May 2016

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS\*

Date of the Notice	19 May 2016
Latest time and date for receipt of Proxy Appointment Forms	27 June 2016 at 11 a.m.
Annual General Meeting	29 June 2016 at 11 a.m.

\* References to times in this Notice are to London times unless otherwise stated.

**BLACKSTONE / GSO LOAN FINANCING LIMITED**  
**(the "Company")**  
**LETTER FROM THE CHAIR**

Charlotte Valeur (Chair)  
Philip Austin MBE  
Gary Clark  
Joanna Dentskevich

Registered Office:  
Liberté House  
19-23 La Motte Street  
St Helier  
Jersey JE2 4SY

19 May 2016

Dear Shareholder

**NOTICE OF ANNUAL GENERAL MEETING**

The Company's Annual General Meeting will be held in Jersey on 29 June 2016 at 11 a.m. at the offices of BNP Paribas Securities Services, Liberté House, 19-23 La Motte Street, St Helier, Jersey JE2 4SY. The notice for the Annual General Meeting sets out the ordinary and special resolutions to be proposed at the meeting. Separate resolutions are proposed for each substantive issue.

I hope that you will be able to attend or that you vote by completing and returning your enclosed form of proxy for this year's Annual General Meeting.

The notice of meeting setting out in full the resolutions to be proposed at the meeting and explanatory notes for each resolution are set out at the end of this document. In addition to the Ordinary Business, the Company is seeking shareholder authority for three items of Special Business:

- i) To allow the Company to purchase in the market up to 14.99 per cent. of the Shares in issue as at the date of the AGM in accordance with its share buyback policy;
- ii) To adopt new articles of association of the Company which will include provisions to (i) enable the establishment of separate accounts as between different classes of Shares (as contemplated in the prospectus of the Company dated 31 March 2016); (ii) permit the conversion of Shares of one class to another class; and (iii) permit borrowings by the Company and its subsidiary pursuant to intra-group loan arrangements from time to time; and
- iii) To grant authority to the directors to allot Shares (or to sell Shares from treasury) without having previously to offer such Shares to shareholders on a pre-emptive basis without prejudice to, and in addition to, the authority granted at the EGM held on 29 February 2016 (which related to the shares to be issued pursuant to the Placing Programme).

The Board considers that the resolutions to be proposed at the AGM are in the best interests of the Company's Shareholders as a whole. The Board therefore recommends unanimously to Shareholders that they vote in favour of each of the resolutions and they intend to do in respect of their holding of 25,000 Shares in the Company, representing 0.01 per cent of the total number of issued Shares in the Company.

Yours faithfully,

Charlotte Valeur  
**Chair**

## BLACKSTONE / GSO LOAN FINANCING LIMITED

(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 115628)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the second Annual General Meeting of Blackstone / GSO Loan Financing Limited (the "Company") will be held at the offices of BNP Paribas Securities Services, Liberté House, 19-23 La Motte Street, St Helier, Jersey JE2 4SY at 11 a.m. on 29 June 2016 for the purpose of transacting the following ordinary business

1. To receive and consider the Directors' Report and the audited Financial Statements of the Company for the year ended 31 December 2015 and the report of the auditors thereon.
2. To approve the Directors' Remuneration Report.
3. To re-elect Ms Charlotte Valeur as a Director of the Company.
4. To re-elect Mr Philip Austin as a Director of the Company.
5. To re-elect Mr Gary Clark as a Director of the Company.
6. To re-elect Ms Joanna Dentskevich as a Director of the Company.
7. To re-appoint Deloitte LLP as auditors of the Company.
8. To authorise the Directors to fix the remuneration of the Auditors of the Company.

**AND** the following special business:

#### **Special Business**

To consider and if thought fit pass the following resolutions:

#### *Special Resolution*

9. **THAT**, the Company be and is hereby generally and unconditionally authorised for the purposes of Article 57 of the Companies (Jersey) Law 1991, as amended, to make one or more on market purchases of Shares provided that:
  - (a) the maximum number of Shares hereby authorised to be repurchased by the Company is 14.99 per cent. of the issued share capital of the Company as at the date of the passing of this Resolution;
  - (b) the maximum price, exclusive of expenses, which may be paid for a Share shall not be more than the higher of:
    - (i) an amount equal to 105 per cent. of the average of the middle market quotations for a Share taken from the Official List for the five business days immediately preceding the day on which the Share is purchased; and
    - (ii) the higher of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;
  - (c) the minimum price, which may be paid by the Company for any Share is 1 pence;
  - (d) unless previously revoked, varied or renewed, this authority shall expire upon the earlier to occur of (i) the date being 18 months from the date of this resolution, and (ii) the date of the Company's next Annual General Meeting; and
  - (e) the Company be and is hereby generally authorised for the purposes of Article 58A of the Companies (Jersey) Law 1991, as amended, to hold, if the Board so desires, as treasury shares any Shares purchased pursuant to the authority conferred by this Special Resolution.

*Special Resolution*

10. To adopt the New Articles of Association in substitution for, and to the exclusion of, the Existing Articles of Association.

*Special Resolution*

11. THAT, without prejudice to, and in addition to the authority granted at the EGM held on 29 February 2016, authority be conferred on the Board, pursuant to Article 2.16 of the Articles of Association of the Company, to allot, grant options over or otherwise dispose of up to 33,131,970 Shares (or, if lower, such number of Shares as represent 10 per cent of the Shares in issue at the date of the AGM) (including the sale of Shares from treasury), without offering such Shares or options pre-emptively, such authority to expire at the conclusion of the next annual general meeting of the Company unless previously renewed, varied or revoked by the Company in general meeting.

**By order of the Board**

Siobhan Lavery

For and on behalf of

BNP Paribas Securities Services S.C.A. Jersey Branch

Company Secretary

Registered Office:

Liberté House, 19-23 La Motte Street

St. Helier, Jersey JE2 4SY

Dated: 16 May 2016

**Notes:**

1. Resolutions 1 to 8 are proposed as ordinary resolutions. For each ordinary resolution to be passed, more than half of the total number of votes cast by Shareholders being entitled to vote (by proxy or in person) must be in favour of the resolution.
2. Resolutions 9, 10 and 11 are special resolutions. For a special resolution to be passed, not less than two-thirds of the total number of votes cast by Shareholders being entitled to vote (by proxy or in person) must be in favour of the resolution.
3. Every member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. A body corporate may appoint an authorised person to attend, speak and vote on its behalf. The instrument appointing a proxy must be lodged at Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU at least 48 hours before the commencement of the meeting.
4. All Shareholders have equal voting rights based on the number of Shares held. The total number of Shares (and, accordingly, voting rights) in the Company as at the date of this document is 331,319,700.
5. Where there are joint registered holders of any Share, the vote of the first-named of the joint holders who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority should be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. A member may terminate a proxy's authority at any time before the commencement of the meeting. In order to revoke a proxy instruction, you will need to inform Capita Asset Services by sending a signed notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU. In the case of a member 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 a duly appointed attorney for the company. Any power of attorney or 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 Capita Asset Services no later than 11 am on 27 June 2016. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. 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.

8. The quorum for the Annual General Meeting will be two holders of Shares present and entitled to vote in person or by proxy. In the event that a quorum is not present for the Annual General Meeting within 20 minutes of the time appointed for the Annual General Meeting, the Annual General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board of Directors may determine and no notice of adjourned meeting need be given unless the meeting is adjourned for fourteen days or more.
9. CREST members who wish to appoint a proxy or proxies through the CREST proxy appointment service may do so for the Meeting (and any adjournment thereof) by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction 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 ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy or to 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 Capita Registrars (whose CREST ID is RA10) by 11am on the 27 June 2016. 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 Capita Registrars is 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.

CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear 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, to procure that his CREST sponsor or voting service provider takes) 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 (available at [www.euroclear.com/CREST](http://www.euroclear.com/CREST)) concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
11. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company by close of business on 27<sup>th</sup> June 2016 (or if the AGM is adjourned, close of business 48 hours before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of Shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.

## Explanatory notes on the Resolutions to the Notice of the Annual General Meeting

The information set out below is an explanation of the business to be considered at the 2016 Annual General Meeting.

### *Ordinary Resolutions*

#### **Resolution 1 – Annual Report and Audited Financial Statements**

The Directors are required to present to the meeting the Annual Report and Audited Financial Statements, the Directors' Report and the Auditors' Report for the year ended 31 December 2015. Shareholders will be given the opportunity to ask questions about the Annual Report at the AGM before being invited to receive and consider the Annual Report.

#### **Resolution 2 – Remuneration Report**

Shareholders are requested to ratify the Directors' Remuneration Report for the year ended 31 December 2015, which is set out on page 42 of the Annual Report and Audited Financial Statements. The vote is advisory and does not affect the remuneration payable to any individual Director.

#### **Resolutions 3, 4, 5 and 6 – Re-election of Directors**

The Board has adopted a policy whereby all Directors will be put up for re-election each year. The Board believe that all of the current Directors should continue as Directors as they bring wide, current and relevant business experience that allows them to contribute effectively to the leadership of the Company.

Biographical details for the Directors are shown on pages 22 and 25 of the Annual Report and Audited Financial Statements.

#### **Resolutions 7 and 8 – Re-appointment and remuneration of the Auditors**

Shareholders are required to approve the appointment of the Company's Auditors each year and to give Directors the authority to determine the Auditors' remuneration. Deloitte LLP have expressed their willingness to continue as auditors to the Company.

### *Special Resolutions*

#### **Resolution 9 – Repurchase of the Company's Shares in the market**

The Board is seeking to obtain general authority for the Company to purchase in the market up to 14.99 per cent. of the Shares in issue as at the date of the AGM and for the Directors to, at their absolute discretion, use available cash to purchase in the market Shares in issue at any time. This authority will expire at the conclusion of the next annual general meeting of the Company, unless previously renewed, varied or revoked by the Shareholders in general meeting. Any Shares repurchased will either be cancelled or held in treasury.

#### **Resolution 10 – To adopt the New Articles of Association**

The Board is seeking Shareholder approval to adopt articles of association (the "New Articles of Association") in substitution for, and to the exclusion of, the existing articles of association (the "Existing Articles of Association") in place from time to time. The New Articles of Association contain provisions which:

- Establish separate accounts as between different classes of Shares;
- Permit the conversion of Shares as between different classes; and
- Permit the Company to undertake borrowings with its subsidiary, Blackstone / GSO Loan Financing (Luxembourg) S.à r.l. ("LuxCo") pursuant to an intra-group loan arrangement where the repayment of any amounts borrowed may be effected by way of capitalisation or set-off of any amounts owing by LuxCo to the Company. This amendment is proposed to facilitate the payment of distributions to the Company by LuxCo by way of a loan which may be repaid by the Company through a redemption of cash settlement warrants held by the Company in LuxCo.

A copy of the articles of association of the Company, marked up to show the proposed changes, will be available for inspection from the date of this notice at the registered office of the Company and Herbert Smith Freehills LLP at Exchange House, Primrose St, London, EC2A 2EG, United Kingdom. A copy of the articles of association of the Company, marked up to show the proposed changes, will also be tabled at the place of the AGM for at least 15 minutes prior to and at the AGM.

**Resolution 11 – Pre-emption**

The Board is seeking authority to allot Shares (or sell Shares from treasury) without having previously to offer such Shares to shareholders on a pre-emptive basis without prejudice to, and in addition to, the authority granted at the EGM held on 29 February 2016 (which related to the shares to be issued pursuant to the Placing Programme).



**PROXY APPOINTMENT FORM**

**BLACKSTONE / GSO LOAN FINANCING LIMITED**

(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 115628)

To be used for the Annual General Meeting of Blackstone / GSO Loan Financing Limited (the "**Company**") to be held at the offices of BNP Paribas Securities Services, Liberté House, 19-23 La Motte Street, St Helier, Jersey JE2 4SY on 29 June 2016 at 11 a.m.

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being the holder of \_\_\_\_\_ (insert number) Shares\* (delete as appropriate) of the Company hereby appoint the Chair of the meeting, or failing him/her

\_\_\_\_\_ as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company referred to above and at any adjournment thereof on the resolutions set out below or otherwise as they shall think fit.

	<b>Ordinary Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Withheld</b>
1.	THAT, the Directors' report and the audited financial statements of the Company for the period ended 31 December 2015 and the report of the auditors thereon.			
2.	THAT the Directors' Remuneration Report be approved.			
3.	THAT Ms Charlotte Valeur be re-elected as a Director of the Company			
4.	THAT Mr Philip Austin be re-elected as a Director of the Company.			
5.	THAT Mr Gary Clark be re-elected as a Director of the Company.			
6.	THAT Ms Joanna Dentskevich be re-elected as a Director of the Company.			
7.	THAT Deloitte LLP be re-appointed as auditors of the Company.			
8.	THAT the Directors be authorised to fix the remuneration of the Auditors of the Company.			
	<b>Special Resolutions</b>			
9.	THAT, the Company be and is hereby authorised to make one or more on market purchases of Shares			
10.	THAT, the New Articles of Association be adopted in substitution for, and to the exclusion of, the Existing Articles of Association.			
11.	THAT, without prejudice to, and in addition to the authority granted at the EGM held on 29 February 2016, authority be conferred on the Board, pursuant to Article 2.16 of the Articles of Association of the Company, to allot, grant options over or otherwise dispose of up to 33,131,970 Shares (or, if lower, such number of Shares as represent 10 per cent of the Shares in issue at the date of the AGM) (or sell Shares from treasury), without offering such Shares or options pre-emptively, such authority to expire at the conclusion of the next annual general meeting of the Company unless previously renewed, varied or revoked by the Company in general meeting.			

Signed this \_\_\_\_ day of \_\_\_\_\_ 2016

Signature \_\_\_\_\_



Please indicate above how you wish your proxy to vote. Unless otherwise instructed, the proxy will vote or abstain from voting as he thinks fit.

#### **Notes**

1. To be valid, this form of proxy must be completed and lodged with Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU at least 48 hours before the commencement of the meeting or any adjournment thereof.
2. Members may appoint a proxy of their choice. If such an appointment is made, insert the name of the person appointed in the space provided. A proxy need not be a member of the Company.
3. A member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to different Shares held by a member. You may not appoint more than one proxy to exercise rights attached to any one Share. Where multiple proxies have been appointed to exercise rights attached to different Shares, on a show of hands those proxy holders taken together will collectively have the same number of votes as the Shareholder who appointed them would have on a show of hands if he were present at the meeting. On a poll, all or any of the rights of the Shareholder may be exercised by one or more duly appointed proxies. To appoint more than one proxy you may photocopy this Proxy Appointment Form. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
4. For omnibus/nominee Shareholders who, without going to underlying investors, do not have the authority to vote, please indicate how you wish your proxy/representative to vote by inserting the aggregate number of underlying investor votes "for" and/or "against" and/or "withheld" in the relevant box.
5. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of votes of the other joint holders and for this purpose seniority should be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or in the case of a corporation this proxy form must be executed under common seal or under the hand of a director or secretary of the corporation duly authorised in writing.
7. Indicate, by inserting X in the appropriate space, the manner in which the proxy is to vote. Unless so indicated, the proxy shall vote as he/she sees fit.
8. If a proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his/her discretion as to whether, and if so how, he/she votes.
9. Defined terms not defined in this Proxy Appointment Form shall have the same meaning given to them in the Notice of AGM dated 16 May 2016.
10. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual, further details of which are included in the Notice of AGM of the Company to be held on 29 June 2016.
11. Only those members registered in the register of members of the Company as at close of business on 27<sup>th</sup> June 2016 or, in the event that the meeting is adjourned, in such register not later than the close of business 48 hours before the time of the adjourned meeting, shall be entitled to attend, or vote (whether in person or by proxy) at the meeting in respect of the number of Shares registered in their names at the relevant time.

Upon completion please return this Proxy Appointment Form to the following address to arrive no later than 48 hours before the scheduled start of the Annual General Meeting: Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU.

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