

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares of 0.25 pence each ("Ordinary Shares") in Bluebird Energy plc (the "Company"), please send this Document, together with the accompanying form of proxy (the "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 transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your Ordinary Shares in the Company, you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Directors accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

---

# Bluebird Energy

*(Registered in England and Wales under the Companies Act 2006 with registered number 03606195)*

## **Proposed Distribution by way of dividend *in specie* of part of Bluebird's holding in Wessex Exploration PLC and Notice of General Meeting**

---

**Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this Document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.**

WH Ireland, which is authorised and regulated in the UK by the Financial Services Authority, is acting as nominated and financial adviser to the Company in connection with the matters described in this Document. Persons receiving this Document should note that WH Ireland will not be responsible to anyone other than the Company for providing the protections afforded to clients of WH Ireland or for advising any other person on the arrangements described in this Document. WH Ireland has not authorised the contents of, or any part of, this Document and no liability whatsoever is accepted by WH Ireland for the accuracy of any information or opinions contained in this Document or for the omission of any information.

This Document does not constitute or form part of any offer or invitation to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The distribution of this Document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Document and/or the accompanying Form of Proxy comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

**Notice of a General Meeting of Bluebird Energy plc, to be held at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 11 a.m. on 30 May 2012, is set out at the end of this Document. To be valid the accompanying Form of Proxy for use in connection with the meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Capita Registrars at PXS, 34 Beckenham Road, Beckenham BR3 4TU, by not later than 11 a.m. on 28 May 2012. Completion and return of Forms of Proxy will not preclude Shareholders from attending the General Meeting should they so wish. For full details on proxy appointments, see the notes to the Notice of General Meeting and the Form of Proxy.**

## CONTENTS

|   | <i>Page</i> |
|---|-------------|
| EXPECTED TIMETABLE OF PRINCIPAL EVENTS          | 2           |
| DEFINITIONS                                     | 3           |
| LETTER FROM THE CHAIRMAN OF BLUEBIRD ENERGY PLC | 5           |
| NOTICE OF GENERAL MEETING                       |             |

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|   |                     |
|---|---------------------|
| Latest time and date for receipt of Forms of Proxy    | 11 a.m. 28 May 2012 |
| Final terms of Distribution announced through the RIS | 7 a.m. 30 May 2012  |
| General Meeting                                       | 11 a.m. 30 May 2012 |
| Ex-dividend date for entitlement to the Distribution  | 31 May 2012         |
| Record Date for entitlement to the Distribution       | 6 June 2012         |

*These times and/or dates are subject to the satisfaction of the Conditions and may therefore be 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 the Regulatory News Service of the London Stock Exchange.*

All times shown in this Document are London times unless otherwise stated.

## DEFINITIONS

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

|   |   |
|---|---|
| “Act”   | the Companies Act 2006 (as amended)   |
| “AIM”   | AIM, a market operated by the London Stock Exchange   |
| “AIM Rules”                                   | the AIM Rules for Companies published by the London Stock Exchange from time to time  |
| “Bluebird’s Wessex Holding”                   | Bluebird’s holding of 64,743,934 Wessex Shares  |
| “Capita Registrars” or “Registrars”           | trading name of Capita Registrars Limited, the Company’s registrars   |
| “Company” or “Bluebird”                       | Bluebird Energy plc   |
| “Committee”                                   | the committee of the Board consisting of the Independent Directors  |
| “Conditions”                                  | the passing of the Resolutions and the declaration and payment of the Interim Dividend  |
| “CREST”                                       | the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)                           |
| “Directors” or “Board”                        | the directors of the Company whose names are set out on page 5 of this Document, or any duly authorised committee thereof including the Committee                       |
| “Distribution”                                | means a distribution <i>in specie</i> of part of the Wessex Shares by way of interim dividend as more particularly detailed in paragraph 3 of this Document             |
| “Document”                                    | this document   |
| “Existing Articles”                           | the existing Articles of Association of the Company   |
| “Form of Proxy”                               | the form of proxy for use in connection with the GM which accompanies this Document   |
| “GM” or “General Meeting”                     | the general meeting of the Company to be held at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 11 a.m. on 30 May 2012            |
| “GM Notice” or<br>“Notice of General Meeting” | the notice convening the GM, which is set out on pages 10 and 11 of this Document   |
| “Group”                                       | the Company, its subsidiaries and its subsidiary undertakings   |
| “Independent Directors”                       | James Ede-Golightly and Brian Marshall  |
| “Interim Dividend”                            | the interim dividend proposed to be declared and paid by the Company following the GM to give effect to the Distribution as more particularly described in the Document |
| “London Stock Exchange”                       | London Stock Exchange plc   |

|                           |  |
|---------------------------|--|
| “Options”                 | the 25,000,000 options over Ordinary Shares (all granted for nil consideration) outstanding as at 11 May 2012, being the latest practicable date prior to the publication of this Document   |
| “Ordinary Shares”         | the 498,396,408 issued ordinary shares of 0.25p each in the capital of Bluebird  |
| “Qualifying Shareholders” | Shareholders on the Company’s register of members at the Record Date   |
| “Record Date”             | the record date for the Interim Dividend, being 7 a.m. on 6 June 2012 (or such other time or date as the Board (or any duly authorised committee thereof) may determine) being the time at which the Shareholders are required to be on the Company’s register of members in order to receive the Interim Dividend |
| “Resolutions”             | the resolutions set out in the GM Notice   |
| “RIS”                     | a regulatory information service   |
| “Shareholders”            | holders of Ordinary Shares   |
| “UK” or “United Kingdom”  | the United Kingdom of Great Britain and Northern Ireland   |
| “Warrantholder”           | means a holder of Warrants   |
| “Warrant Instrument”      | the warrant instrument made by the Company and dated 4 February 2011   |
| “Warrants”                | the 3,750,000 Warrants issued pursuant to the Warrant Instrument and the 5,043,467 Warrants issued to WH Ireland as part of the arrangements for securing admission of the Company to trading on AIM   |
| “Wessex”                  | Wessex Exploration PLC   |
| “Wessex Shares”           | the 64,743,934 ordinary shares of 0.1p each in Wessex Exploration PLC owned by the Company   |
| “WH Ireland”              | WH Ireland Limited, the Company’s nominated adviser and broker   |

#### Notes

In this document, the symbols “£”, “p” and “pence” refer to pounds and pence sterling respectively and the symbol “US\$” refers to United States dollars.

The exchange rate used for the purposes of this document is £1.00: US\$1.60.

Any reference to any provision of any legislation in any jurisdiction shall include any amendment, modification, re-enactment or extension thereof.

Unless otherwise stated, all references to legislation refer to the laws of England and Wales.

## LETTER FROM THE CHAIRMAN OF BLUEBIRD ENERGY PLC



# Bluebird Energy

(Registered in England and Wales under the Companies Act 2006 with company number 03606195)

### Directors:

James Ede-Golightly (Non-executive Chairman)  
Andy Yeo (Chief Executive Officer)  
Frederik Dekker (Non-executive Director)  
Brian Marshall (Non-executive Director)

### Registered Office:

6 Charlotte Street  
Bath  
BA1 2NE

14 May 2012

To the holders of Ordinary Shares and, for information only, Warrantholders and holders of Options

Dear Shareholder

### **Proposed distribution by way of dividend *in specie* of part of Bluebird's holding in Wessex Exploration PLC and Notice of General Meeting**

#### **1 Introduction**

The Company announced today that it is seeking approval from shareholders to authorise the Directors to make a distribution (or distributions) *in specie* of part of its ordinary share holding in Wessex Exploration PLC. Bluebird currently holds 64,743,934 ordinary shares in Wessex ("the Wessex Shares") representing approximately 8.98 per cent. of the issued share capital of Wessex. If shareholders so approve, it is proposed that a committee of the Board, comprising James Ede-Golightly and Brian Marshall, who are the directors who are not also on the board of Wessex ("the Independent Directors"), will be formed to determine the terms of and declare the Interim Dividend which will give effect to the Distribution.

Under the Company's Existing Articles, any dividend *in specie* is required to be approved by Shareholders at a general meeting of the Company. In addition, it is possible that, due to the value of that part of the Company's holding in Wessex which is expected to be distributed relative to the Company's overall value, it would be a requirement of the AIM Rules that the Distribution be approved by Shareholders. The Distribution is therefore conditional on (1) the passing of the Resolutions set out in the Notice as ordinary and special resolutions of the Company; and (2) the declaration and payment of the Interim Dividend to effect the Distribution following the Resolutions being passed.

This Document explains why the Company is seeking to make the Distribution and provides you with information to enable you to exercise your vote on the Resolutions at the forthcoming GM to be held on 30 May 2012 at 11 a.m. at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG. The Notice of GM is set out at the end of this Document.

#### **2 Background to and reasons for the Distribution**

In my statement accompanying the interim results of the Company for the six months ended 31 December 2011, I stated that the Company would continue to evaluate new oil and gas exploration and development projects and, in parallel, review the potential for returning any excess cash or financial assets directly to shareholders.

Subsequent to the sale of the Company's sole producing asset following a change of operator in July 2011, the Directors have reviewed the remaining oil and gas assets and have concluded that its holding of a significant though minority interest in Wessex is not core to the Company's strategic development as an independent company.

In addition, the Directors are of the view that the Company's market value does not fully reflect the current market value of the Wessex Shares and that a distribution of the Wessex Shares may assist shareholders in realising further value attributable to the Wessex Shares. As at 11 May 2012, the latest practicable date before publication of this Document, the gross value of the Wessex Shares was approximately £5.47m based on the closing mid-price of Wessex on that date; on the same date Bluebird's market capitalisation was £4.73m. As at 30 April 2012 Bluebird held a net cash position of approximately £1.36m.

Further and in view of the recent approach by Total SA for Wessex (which has now lapsed), the Directors consider it advisable that the decision, wherever possible, whether or not to accept any offer that might subsequently be made for Wessex should be taken by individual shareholders, not least because they are best placed to consider their own respective tax positions in deciding whether or not to accept any such offer if made.

### **3 The Distribution**

Subject to the approval of Shareholders to authorise the Directors to make the Distribution, the Committee will determine the number of Wessex Shares to be distributed and the timing of the Distribution, and, if thought fit, formally declare the Interim Dividend necessary to give effect to the Distribution shortly following the GM.

The Distribution can only legally be made out of distributable reserves, and, in addition, the Committee will consider the Company's ongoing working capital requirements and the effect on those requirements of any tax liability (with reference to the market value of the Wessex Shares at the date of Distribution) that the Company may incur in making the Distribution.

As at 31 December 2011, the Company had distributable reserves of £1,935,582. As the book value of the Wessex Shares is £1,095,449, it is expected that there will be sufficient available distributable reserves for the Company to make a distribution or distributions up to the total value of the Wessex Shares dependent on the considerations explained above.

As an example, subject to the satisfaction of the Conditions and on the basis of the closing market value of Wessex on 11 May 2012 (the latest practicable date before publication of this Document) and the Company's allowable losses incurred to date, the Distribution may comprise up to 33,226,427 Wessex Shares and Qualifying Shareholders would receive 1 Wessex Share for every 15 Bluebird Ordinary Shares held on the Record Date. The final number of Wessex Shares the subject of the Distribution is dependent on the market value of Wessex Shares at the date of the Distribution and, accordingly, the above example is by way of illustration only.

The Board will continue to evaluate the possibility of making further distributions under the authority conferred by Resolution 2 to the extent it is able to do so without incurring a charge to corporation tax. It is intended that such authority, to the extent unutilised, will be renewed at the next Annual General Meeting of the Company, which is expected to be held in early December 2012.

In the event that Wessex becomes, or the Directors consider it is likely to become, subject to a further bid approach or approaches from third parties to acquire the entire issued share capital or a material part of Wessex's assets, then the timing of the Distribution is likely to be reviewed.

It is expected that the final terms of the Distribution will be announced at 7 a.m. on the date of the General Meeting to be held on 30 May 2012 at 11 a.m. at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG.

### **4 Settlement**

For Qualifying Shareholders holding Ordinary Shares in uncertificated form, their CREST accounts are expected to be credited with their pro rata allocation of Wessex Shares within two business days following the Record Date.

Qualifying Shareholders holding Ordinary Shares in certificated form will receive share certificates for their allocation of Wessex Shares within 14 business days following the Record Date.

The Wessex Shares which Qualifying Shareholders receive by way of the Distribution will be in addition to any existing Ordinary Shares already held by such Shareholders and will continue to be traded on AIM following the Distribution. It is expected that, subject to the approval of the Shareholders at the GM, the Interim Dividend will be made and the Ordinary Shares will be marked "ex-entitlement" on 31 May 2012.

Qualifying Shareholders will not be entitled to receive any fractional entitlements arising on the Distribution. An outline of the tax treatment for individual shareholders is contained in section 6 of this Document.

## 5 Information on Wessex

Wessex is a hydrocarbon exploration company with its principal projects in offshore Guyane (formerly French Guiana) and Southern England. Wessex has further projects in Juan de Nova (Mozambique Channel) and Western Sahara (Saharawi Arab Democratic Republic).

On 9 September 2011 Wessex announced that Tullow Oil plc, the Operator, issued a news release stating that the Zaedyus exploration well (GM-ES-1), offshore French Guiana, has made an oil discovery having encountered 72 metres of net oil pay in two turbidite fans. Results of drilling, wireline logs and samples of reservoir fluids show that the well has encountered good quality reservoir sands on prognosis.

On 19 March 2012 Total SA announced that it has made an approach to Wessex regarding a possible cash offer for the entire issued and to be issued share capital of Wessex at a price of 10 pence per ordinary share. On 12 April 2012 Total SA announced that it was no longer exploring an offer following an announcement from Wessex, also on 12 April 2012 that, having completed initial shareholder consultations, the Wessex board was of the view that the approach of 10 pence per ordinary share undervalues the Company and was inadequate to secure their support for any offer which Total SA might consider at this level.

Wessex also confirmed that, having raised £12m (gross) of additional funding in November 2011, it is fully funded for all current requirements, including participation in a further Zaedyus appraisal well and at least one additional well. Drilling is expected to commence in mid-2012 to follow up on the Zaedyus oil discovery in late 2011 that demonstrated the prospectivity of this licence area off South America. To undertake these operations Shell, the operator, has contracted the Stena DrillMax ICE drill-ship, which is expected to commence operations mid-year subject to government consents.

## 6 Tax consequences of the Distribution

**The following statements are intended only as a general guide current as at 11 May 2012 (being the latest practicable date prior to publication of this document) to United Kingdom tax legislation and to the current practice of the HMRC and do not constitute tax advice. They may not apply to certain categories of Shareholder, such as dealers in securities. Levels and bases of taxation are subject to change. Any person who is in any doubt as to his tax position or who is resident for tax purposes outside the United Kingdom is strongly recommended to consult his professional advisers immediately.**

The United Kingdom taxation implications relevant to the receipt of the Interim Dividend are as follows:

There is no withholding tax on dividends.

UK resident Shareholders, who are individuals, will be taxable on the total of the dividend *in specie* (i.e. the value of the Wessex Shares received) and the related notional tax credit ("gross dividend"), which will be regarded as the top slice of the individual's income. A dividend *in specie* needs to be reported on a UK resident shareholder's annual tax return in the same circumstances as a cash dividend.

The notional tax credit on dividends is one-ninth of the dividend paid (or 10 per cent. of the aggregate of the dividend and tax credit). For individuals, the income tax rates on dividend income are such that lower and basic rate taxpayers will have no further tax liability on a dividend receipt. Higher rate taxpayers pay tax on dividends at 32.5 per cent. and an income tax rate of 42.5 per cent. applies to (gross) taxable dividend income where total taxable income for the Shareholder for the relevant tax year exceeds £150,000.

As no cash is being distributed by the Company, Qualifying Shareholders should consider how they will fund any income tax liability on the Interim Dividend.

Generally, Shareholders will no longer be entitled to reclaim the tax credit attaching to any dividends paid.

Subject to certain exceptions, a Shareholder which is a company resident for tax purposes in the United Kingdom and which receives a dividend *in specie* will not generally have to pay corporation tax in respect of it.

Any Shareholder in doubt should consult an appropriate professional adviser.

## **7 Current trading and prospects**

On 15 March 2012, the Company reported its interim results for the six months to 31 December 2011.

Following the disposal of its interest in Centurion, the Company's operational focus of activity in the United States is its Solitaire asset where the Company has a 100 per cent interest. Bluebird is currently marketing Solitaire to potential farm-in partners with a view to commencing seismic work later in the year. The Company's interests in its Marcellus Shale and Revloc assets are up for sale.

Outside the US, project evaluation activity includes the Republic of Ireland where an out of round oil and gas application in respect of acreage in the Dublin Basin was lodged in May 2011 and, once opened, may include involvement in the forthcoming 14th Landward Licensing Round in the UK.

At the time of the interim report it was stated that the Board was on target to achieve a significant reduction in administration costs in the second half of the financial year although the full benefits of these changes would not be in place until the end of the financial year. Savings since the turn of the year have now been secured totalling approximately £240,000 which are either already in place or will be effective by the end of the current financial year. This relates to recurring expenses which have either been re-negotiated, restructured or terminated. It includes approximately £100,000 attributable to a 50 per cent. reduction in director's fees and salaries by board members.

In addition, non-contractual savings have resulted from the reduced level of activity within the business. For example, the company incurred just under £80,000 in travel, subsistence and hotel expenses in the six month period ended December 2011 (the bulk of this relating to activity around the disposal of the Centurion project) whereas in the first four months of 2012 the comparable expense has been under £2,000.

## **8 Warrants and Options**

Following completion of the Distribution, the terms of outstanding Warrants and Options in the Company will be appropriately adjusted. Holders of Warrants and Options will be separately notified of such changes.

## **9 Request to send or supply documents and information via a website**

A letter accompanies this Document (the "Letter") seeking Shareholders' consent to send or supply documents and information ("Documents and Information") via the Company's website (the "Website"). Increased use of electronic communications will deliver significant savings to the Company in terms of administration, printing and postage costs, as well as speeding up the provision of information to Shareholders. The reduced use of paper will also have environmental benefits.

If we do not receive a response from you within 28 days of the date of the Letter, then you will be taken to have agreed that the Company may send or supply the Documents and Information to you via the Website. Therefore, if you agree to the Company sending or supplying the Documents and Information to you via the Website, you need take no further action. If you would prefer to receive the Documents and Information in paper form rather than via a website, you will need to let us know by completing the reply slip at the end of the Letter and returning it to the Company at the address indicated therein.



## 10 Resolutions

Resolution 1, which will be proposed a special resolution, is to make certain amendments to the Existing Articles to empower the Directors to make interim dividends *in specie*.

Resolution 2, which will be proposed as an ordinary resolution and is conditional on the passing of Resolution 1, is to approve the making of the Distribution. Resolution 2 also authorises the Directors to make distributions *in specie* of all Wessex Shares currently held by Bluebird. However, as set out in paragraph 3 above, the Directors only intend to exercise such authority where it is able to do so without incurring a charge to corporation tax for the Company. It is intended that such authority, to the extent unutilised, will be renewed at the AGM of the Company to be held in December 2012.

The Notice of GM is contained at the end of this Document and sets out the Resolutions in full. The GM is to be held at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 11 a.m. on 30 May 2012.

## 11 Action to be taken

You will find enclosed with this Document a Form of Proxy for use at the General Meeting. To be valid, a Form of Proxy must be completed and signed in accordance with the instructions thereon and returned to the Company's Registrars, Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to be received by no later than 11 a.m. on 28 May 2012. The completion and return of a Form of Proxy will not prevent Shareholders who are entitled to vote from attending the General Meeting if they so wish.

## 12 Recommendation

**The Independent Directors and their related parties intend to vote in favour of the Resolutions in respect of a total of 330,000 Shares, representing approximately 0.07 per cent. of the Shares in issue at the date of this Document and unanimously recommend Shareholders to vote in favour of the Resolutions.**

*Yours sincerely*

James Ede-Golightly  
*Non-executive Chairman*

## NOTICE OF GENERAL MEETING

# Bluebird Energy plc

(Registered in England and Wales under the Companies Act 2006 with registered no. 03606195)

Notice is hereby given that a general meeting of Bluebird Energy plc (the “**Company**”) will be held at the offices of Osborne Clarke at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 11.00 a.m. on 30 May 2012 for the purposes of considering and, if thought fit, passing the following resolutions, of which resolution 1 is being proposed as a special resolution and resolution 2 is being proposed as an ordinary resolution:

### Special resolution

1. **THAT** the draft articles numbered 133 and 136 as set out below be and are adopted by the Company in substitution for articles 133 and 136, respectively, of its existing articles of association:

#### “133. Interim dividends

Subject to the provisions of the Acts and of these Articles, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution and the position of the Company. Any such interim dividend may be satisfied wholly or partly by the distribution of assets with the authority of an ordinary resolution of the Company in accordance with Article 136 (*Distribution in specie*). If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer in consequence of the declaration of, or by the lawful payment of, any interim dividend on any shares ranking after those with preferential rights.”

#### “136. Distribution *in specie*

The Company in general meeting may, on the recommendation of the Board, by ordinary resolution direct that payment of any final dividend declared or any interim dividend declared or to be declared by the Board in accordance with Article 133 (*Interim dividends*) may be satisfied wholly or partly by the distribution of assets, and in particular, of fully paid up shares or debentures of any other company or in any one or more of such ways. Where any difficulty arises in regard to such distribution the Board may settle it as it thinks fit. In particular, subject to the provisions of the Acts, the Board may:

- (a) issue fractional certificates or authorise any person to sell and transfer any fractions or disregard fractions altogether;
- (b) fix the value for distribution of such assets or any part of them and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.”

## Ordinary resolution

**THAT**, subject to and conditional upon the passing of resolution 1 above, the directors be and are authorised, pursuant to article 136 of the articles of association of the Company as amended pursuant to resolution 1 above (the “**New Articles**”), to exercise the powers contained in that article to declare and pay, in accordance with the authority of the directors conferred pursuant to article 133 of the New Articles, an interim dividend or dividends up to an aggregate amount of £1,095,449, such dividend(s) to be satisfied by the distribution of fully paid ordinary shares of 0.1p each in Wessex Exploration PLC held by the Company provided that, unless previously revoked, varied or extended, the authority conferred by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2012.

*Registered Office:*

6 Charlotte Street  
Bath  
BA1 2NE

By order of the Board:

14 May 2012

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 28 May 2012 (or if the general meeting (“**GM**”) is adjourned, 48 hours before the time fixed for the adjourned GM) shall be entitled to attend and vote at the GM in respect of the number of shares registered in their name at that time. In each case, 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 GM.
2. If you wish to attend the GM in person, you should make sure that you arrive at the venue for the GM in good time before the commencement of the meeting. You may be asked to provide proof of your identity in order to gain admission.
3. A member who is entitled to attend, speak and vote at the GM may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the GM in order to represent his appointer. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person the GM (although voting in person at the GM will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the GM or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.
4. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company’s registrar, Capita Registrars at PXS, 34 Beckenham Road, Beckenham BR3 4TU, by no later than 11.00 a.m. on 28 May 2012.
5. The notes to the proxy form include instructions on how to appoint a proxy by using the CREST proxy appointment service.
6. You may not use any electronic address provided either in this Notice of GM or in any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
7. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
8. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 3 to 5 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company’s articles of association and the relevant provision of the Companies Act 2006.

