

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Mediterranean Oil & Gas Plc (“**the Company**”) will be held at the offices of Memery Crystal LLP, 44 Southampton Buildings, London WC2A 1AP on 28 June 2010 at 11.00 a.m. for the following purposes.

### As Ordinary Business:

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions.

1. To receive and adopt the statement of accounts for the year ended 31 December 2009 together with the reports of the directors and the auditors thereon.
2. To elect Christopher David Kelsall, who was appointed since the last Annual General Meeting, as a director of the Company.
3. To re-elect Salvatore Russo, who retires by rotation, as a director of the Company.
4. To re-appoint BDO LLP as auditors to act as such until the conclusion of the next general meeting of the Company at which the requirements of section 437 of the Companies Act 2006 (“**the 2006 Act**”) are complied with and to authorise the directors of the Company (“**the Directors**”) to fix their remuneration.

### As Special Business:

To consider and, if thought fit, pass the following resolutions of which resolution 5 will be proposed as an ordinary resolution and resolutions 6 and 7 as special resolutions.

## ORDINARY RESOLUTION

5. THAT the Directors be generally and unconditionally authorised in accordance with section 551 of the 2006 Act to allot Relevant Securities (as defined in this resolution) up to an aggregate nominal amount of £3,658,286, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the date falling 15 months from the date of the passing of this resolution, or if earlier at the Annual General Meeting of the Company to be held in 2011, save that the Company may at any time before such expiry make an offer or agreement which might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities to be allotted in pursuance of such offer or agreement notwithstanding that the authority hereby conferred has expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the 2006 Act. In this resolution, ‘Relevant Securities’ means any shares in the capital of the Company and the grant of any right to subscribe for, or to convert any security into, shares in the capital of the Company (“**Shares**”) but does not include the allotment of Shares or the grant of a right to subscribe for Shares in pursuance of an employee’s share scheme or the allotment of Shares pursuant to any right to subscribe for, or to convert any security into, Shares.

## SPECIAL RESOLUTIONS

6. THAT the Directors be generally empowered pursuant to section 570 of the 2006 Act to allot equity securities (as defined in section 560 of the 2006 Act) for cash as if section 561(1) of the 2006 Act did not apply to any such allotment pursuant to the general authority conferred on them by resolution 5 above (as varied from time to time by the Company in general meeting) PROVIDED THAT such power shall be limited to:
  - (a) the allotment of equity securities in connection with a rights issue or any other offer to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (b) the allotment (otherwise than pursuant to sub paragraph (a) above) of equity securities up to an aggregate nominal amount of £3,658,286 representing approximately 25% of the fully diluted share capital of the Company and the power hereby conferred shall operate in substitution for and to the exclusion of any previous power given

to the Directors pursuant to section 95 of the Companies Act 1985 or section 570 of the 2006 Act and shall expire on whichever is the earlier of the conclusion of the Annual General Meeting of the Company held in 2011 or the date falling 15 months from the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power hereby conferred has expired.

7. THAT:

- (a) the existing Articles of Association of the Company ("the Current Articles") be amended by deleting all of the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Current Articles; and
- (b) the Articles of Association produced to the Annual General Meeting and initialled by the chairman of the Annual General Meeting for the purpose of identification ("the New Articles") be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Current Articles.

*Registered Office*  
44 Southampton Buildings  
London WC2A 1AP

By Order of the Board  
Michael Bonte-Friedheim  
*Chairman*

2 June 2010

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 6.00 p.m. on 25 June 2010 shall be entitled to attend and vote at the Annual General Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Annual General Meeting to represent you. Details of how to appoint the Chairman of the Annual General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
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 the proxy form.
5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
- (c) received by Capita Registrars no later than 6.00 p.m. on 25 June 2010.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

6. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by using the Share Portal service at [www.capitashareportal.com](http://www.capitashareportal.com). For an electronic proxy appointment to be valid, your appointment must be received by Capita Registrars no later than 6.00 p.m. on 25 June 2010.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. Except as provided above, members who have general queries about the Annual General Meeting should call the Capita Registrars' shareholder helpline on 0871 664 0300 or, if calling from outside the UK, on +44 20 8639 3399. Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday. Calls to Capita Registrars' 0871 664 0300 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to Capita Registrars' +44 20 8639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. No other methods of communication will be accepted.
9. You may not use any electronic address provided either:
  - (a) in this Notice of Annual General Meeting; or
  - (b) any related documents (including the proxy form),to communicate with the Company for any purposes other than those expressly stated.
10. As at 5.00 p.m. on the day immediately prior to the date of posting of this Notice of Annual General Meeting, the Company's issued share capital comprised 38,912,736 ordinary shares of 20p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m. on the day immediately prior to the date of posting of this Notice of Annual General Meeting is 38,912,736.

## EXPLANATORY MEMORANDUM

1. Item of business 2 – Christopher David Kelsall was appointed as a Director since the last annual general meeting and therefore retires from office in accordance with article 96 of the Current Articles and will stand for reappointment.
2. Item of business 3 – one third of all Directors are required to retire by rotation at each Annual General Meeting in accordance with article 91.1 of the Current Articles. Accordingly, Salvatore Russo will retire by rotation at the start of the Annual General Meeting and will stand for re-election.
3. Item of business 5 – this resolution, in accordance with section 551 of the 2006 Act, permits the Directors to allot shares pursuant to a general authority (not restricted to allotments for cash on a non pre-emptive basis which are regulated by section 570 of the 2006 Act). The proposed authority represents an authority to allot Relevant Securities with an aggregate nominal value of £3,658,286, being approximately 25% of the fully diluted share capital of the Company as at the date of the Annual General Meeting. This authority will expire at the next Annual General Meeting of the Company.
4. Item of business 6 – this resolution authorises the Directors to allot equity securities with an aggregate nominal value of £3,658,286, for cash on a non pre-emptive basis. This authority represents approximately 25% of the fully diluted share capital of the Company as at the date of the Annual General Meeting. This authority will expire at the next Annual General Meeting of the Company.
5. Item of business 7 – this resolution proposes the adoption of the New Articles primarily to take account of changes to the law which have become effective following the date on which the Current Articles were adopted.

Changes which the Directors view as material are summarised below. The language of the New Articles has also been conformed with that used in the model articles for public companies produced by the Department of Business, Innovation and Skills. These changes, if not substantive, have not been noted below. As a result, the New Articles are drafted in the up to date language of the 2006 Act, all out of date references to concepts in previous legislation have been removed and they are fully compliant with the 2006 Act. In addition, the new model articles are endorsed by statute and therefore a court could not question their legal validity or effectiveness.

The New Articles are available on the Company's website at [www.medoilgas.com](http://www.medoilgas.com).

### **The Company's objects**

The provisions regulating the operations of the Company are currently set out in the Current Articles and the Company's Memorandum of Association. The Company's current memorandum of association contains, among other things, an objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum, providing that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the 2006 Act, the objects clause and all other provisions which were contained in the memorandum of a company in existence on 1 October 2009 are now deemed to be contained in a company's articles of association but the company can remove these provisions by special resolution.

Further, the 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are to be treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 7(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of the shareholders.

### **Articles which duplicate statutory provisions**

Provisions in the Current Articles which replicate provisions already contained in the 2006 Act are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution.

### **Authorised share capital and unissued shares**

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can allot at any time because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

### **Redeemable shares**

At present, if a company wishes to issue redeemable shares, it must include in its articles the terms and manner of redemption. The 2006 Act enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the Directors would need shareholders' authority to issue new shares in the usual way.

### **Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital**

Under the law previously in force a company requires specific enabling provisions to be contained in its articles in order to purchase its own shares, to consolidate or sub-divide its shares or to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. Under the 2006 Act a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly, the relevant enabling provisions have been removed from the New Articles.

### **Suspension of registration of share transfers**

The Current Articles permit the Directors to suspend the registration of transfers. Under the 2006 Act, share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

### **Retirement of Directors by rotation**

The Current Articles provide that one third of the Directors must retire by rotation and offer themselves for re-election, should they wish, at each annual general meeting. The new Model Articles issued by the Department of Business, Innovation and Skills ("**the Model Articles**") provide that any director who has not been appointed or reappointed at any of the previous two annual general meetings must offer himself for re-election. The Company proposes to adopt an article in line with the new Model Articles.

### **Vacation of office by Directors**

The Current Articles specify the circumstances in which a Director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the Model Articles.

### **General**

Generally the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the Model Articles.