

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you are recommended to take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your IGAS Shares please forward this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee. However, the distribution of this document and any accompanying documents into certain jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and any accompanying documents come should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred part of your holding of IGAS Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Placing Shares are not being made available to the public in conjunction with the Placing. The Placing Shares will, upon Admission, rank pari passu in all respects with the Existing IGAS Shares.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the Financial Services Authority. The London Stock Exchange has not itself examined or approved the contents of this document.**

The Directors of IGas Energy plc, whose names are set out on page 2 of this document, accept responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules for Companies. To the best of the knowledge of the Directors (who have taken reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.

**This document does not constitute an offer of any securities for sale. This document is being sent to all IGAS Shareholders, including any IGAS Shareholders not resident in the UK.**

Application will be made to AIM for the New IGAS Shares proposed to be issued in connection with the Acquisition and the Placing to be admitted to trading on the AIM market of the London Stock Exchange. It is expected that Admission to AIM will become effective, and that dealings in the New IGAS Shares will commence, on the Effective Date which, subject to the satisfaction of certain conditions, including the passing of the Resolutions set out in this document.



## **IGas Energy plc**

(incorporated under the Companies Act 1985 and registered in England and Wales with Registered No. 04981279)

### **Proposed acquisition of Nexen Exploration UK Limited Proposed placing of up to 27,500,000 New Ordinary Shares at 75 pence per share Circular to Shareholders and Notice of General Meeting of IGas Energy plc**

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**Your attention is drawn to the letter from the Chairman of IGAS which is set out on pages 5 to 11 of this document and which recommends you to vote in favour of the Resolution to be proposed at the General Meeting referred to below.**

Notice of a General Meeting of IGAS to be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW at 10.00 am on 4 March 2011 is set out at the end of this document. A Form of Proxy for the General Meeting (the "Form of Proxy") is enclosed. To be valid, Forms of Proxy should be completed, signed and returned in accordance with the instructions printed on them so as to be received by the Registrars, Computershare Investor Services plc at PO Box 1075, The Pavilions, Bridgewater Road, Bristol BS99 6ZZ as soon as possible and in any event no later than 10.00 am on 2 March 2011. Completion and return of a Form of Proxy will not preclude IGAS Shareholders from attending and voting in person at the General Meeting, should they so wish. You may also deliver a Form of Proxy by fax or e-mail or via the Company's website. Instructions for these methods of appointment are set out in the notes to the Notice of the GM. Proxy appointments delivered by any of these methods must be received by the deadline mentioned above.

This document does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, Placing Shares in any jurisdiction. The Placing Shares have not been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, and no action has been taken to allow the distribution of the Placing Shares under the securities laws of any other Restricted Jurisdiction. Accordingly, absent registration under the applicable securities laws or an exemption therefrom, the Placing Shares may not be offered or sold, directly or indirectly, within any of the Restricted Jurisdictions or to, or for the account or benefit of, any person in the Restricted Jurisdictions, or any national, citizen or resident of Canada, Australia, Japan, New Zealand or south Africa or to any corporation, partnership or other entity created or organised under the laws of any of the Restricted Jurisdictions. There will be no public offering of the such securities in any of the Restricted Jurisdictions. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any restrictions as to the Placing, the Placing Shares or the distribution of this document. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

RBS Hoare Govett Limited, which is regulated and authorised in the United Kingdom under the Financial Services and Markets Act 2000 by the Financial Services Authority, is acting exclusively for the Company as nominated adviser, broker and placing agent for the purpose of the AIM Rules for Nominated Advisers and the AIM Rules for Companies and will not be responsible to anyone other than IGAS for providing the protections afforded to clients of RBS Hoare Govett Limited nor for giving advice in relation to the Acquisition or the Placing or any arrangement referred to, or information contained in, this document. The responsibilities of RBS Hoare Govett Limited, as nominated adviser, are owed solely to the London Stock Exchange and not to the Company or to any Director or to any other person in respect of any decision to acquire Placing Shares in reliance on any part of this document.

## **FORWARD-LOOKING STATEMENTS**

Certain statements contained in this document constitute “forward looking statements”. These statements relate to the IGAS Group’s or the Enlarged Group’s future prospects, developments and business strategies. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “plans”, “prepares”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or their negatives or other variations or comparable terminology. Such forward looking statements are based on current expectations and on numerous assumptions regarding the business strategies and the environment in which the IGAS Group or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ very materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

The forward looking statements and other statements contained in this document speak only at the date of this document. IGAS expressly disclaims any obligation to update such statements referred to above other than as required by law or by the rules of any other competent regulatory authority, whether as a result of new information, future events or otherwise.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND PLACING STATISTICS

### PLACING STATISTICS

Placing Price	75p
Number of Existing IGAS Shares	93,109,431
Number of Placing Shares to be issued pursuant to the Placing	27,500,000
Number of Consideration Shares to be issued pursuant to the Acquisition	39,714,290
Number of Ordinary Shares in issue following the issue of the Placing Shares and the Consideration Shares	160,323,721
Number of Placing Shares as a percentage of the enlarged issued share capital following the Placing and the Acquisition	17.15%
Number of Consideration Shares as a percentage of the enlarged share capital following the Placing and the Acquisition	24.77%
Net proceeds of the Placing receivable by the Company <sup>(1)</sup>	£19,948,750

<sup>(1)</sup> Net proceeds are stated after deduction of estimated total expenses of approximately £0.676 million

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	10.00 am on 2 March 2011
General Meeting	10.00 am on 4 March 2011
*Completion Date of the Acquisition	4 March 2011
*Issue of New IGAS Shares	4 March 2011
*Commencement of dealings on AIM of New IGAS Shares	7 March 2011
*Delivery in CREST of Placing Shares to be held in uncertificated form	7 March 2011

\*these dates are provisional and will be dependent upon receipt from DECC of a non-statutory clearance in respect of the change of control of Nexen Exploration.

## PART 1

### LETTER FROM THE CHAIRMAN OF IGAS

# IGas Energy plc

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 04981279)*

#### Directors:

Francis Gugen (Non-Executive Chairman)  
Andrew Austin (Chief Executive Officer)  
John Blaymires (Chief Operating Officer)  
Brent Cheshire (Technical Director)  
John Bryant (Senior Independent Non-Executive Director)  
Richard Armstrong (Non-Executive Director)  
John Hamilton (Non-Executive Director)

#### Registered Office:

International House  
1-6 Yarmouth Place  
London  
W1J 7BU

14 February 2011

#### To: IGAS Shareholders

Dear Shareholder,

#### **Proposed acquisition of Nexen Exploration UK Limited and Proposed Placing of 27,500,000 New IGAS Shares at a price of 75p per Placing Share**

#### **Introduction**

On 31 January 2011 we announced that we had reached agreement on the terms of a proposal whereby IGAS will acquire the entire issued share capital of Nexen Exploration UK Limited. The consideration for the acquisition comprises 39,714,290 New IGAS Shares, to be issued credited as fully paid with an aggregate value of approximately £25.6 million (based on the Closing Price for IGAS Shares on 28 January, being the date immediately prior to the announcement of the Acquisition).

Nexen Exploration UK Limited is the joint owner with Island Gas Limited (a wholly owned subsidiary of IGAS) of 11 UK Petroleum Exploration and Development Licences and three blocks within a seaward petroleum production licence. As a result of the Acquisition these licence interests will become wholly owned and operated by IGAS, increasing IGAS's Contingent Recoverable Resource 2C (P50) by 115 per cent. to 1,736 bcf or 260 million barrels of oil equivalent and its current net production rate will almost triple. Further details of the Acquisition are set out below.

Due to the number of Consideration Shares and Placing Shares to be issued the approval of IGAS Shareholders is required at the IGAS General Meeting to be held at 10.00 am on 4 March 2011 at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW. The IGAS Board unanimously considers that the Resolutions to be proposed at the meeting are in the best interests of IGAS and its shareholders as a whole and recommends that IGAS Shareholders vote in favour of the Resolutions. Shareholders should be aware that the Acquisition is not conditional upon the Placing but the Placing is conditional upon the Acquisition, accordingly there are circumstances in which the Placing might not proceed but the Acquisition would nevertheless complete. The Board is confident that in such circumstances the business of the Company would be able to continue in the ordinary course, although certain plans and strategies, which are dependent, in part, upon the proceeds of the Placing, may have to be delayed or deferred.

On 11 February 2011 we also announced that the Board had resolved to raise up £20,625,000 gross by way of a placing of shares at a price of 75p per Placing Share. The proceeds of the Placing will be used, inter alia, to finance our work programmes following the Acquisition, to fund operatorship and related increased costs of full ownership of the Licences and to advance production drilling, as described in more detail below under the heading "Reasons for the Placing and use of proceeds".

I am writing to give you further details of the Acquisition and the Placing, including the background to and reasons for it, to explain why the IGAS Board considers both to be in the best interests of IGAS and its shareholders as a whole and to seek your consent to the passing of the Resolutions.

### **Summary terms of the Acquisition**

Upon the issue of the Consideration Shares pursuant to the Acquisition and taking into account the issue of the Placing Shares, Nexen Petroleum (the current owner of Nexen Exploration and a subsidiary of Nexen Inc.) will hold IGAS Shares representing approximately 24.77 per cent. of the share capital of the Enlarged Group. Based on the Closing Price of 64.5 pence per IGAS Share on 28 January 2011, being the Closing Price on the date prior to the announcement of the Acquisition, the Acquisition accordingly values Nexen Exploration at approximately £25.6 million.

The terms of the Acquisition are set out in the Acquisition Agreement, a summary of which is set out in Part 2 of this document. Pursuant to the terms of the Acquisition Agreement the parties will also enter into a services agreement which provides that Nexen Petroleum will make available the services of two of its own consultants to IGAS for periods of between 6 and 12 months following completion of the Acquisition. These consultants have had day to day involvement in the joint operations for some time and so will assist in the transition of operations and will give IGAS on-going access to Nexen's unconventional gas technology.

The Acquisition Agreement also gives Nexen Petroleum the right, for so long as Nexen or its nominees holds 15 per cent. or more of the IGAS Ordinary Shares in issue from time to time, to participate in any issue of IGAS Shares for cash which is proposed by IGAS on a non-pre-emptive basis in order to maintain its proportionate holding. In such circumstances Nexen Petroleum is entitled to subscribe for new IGAS Shares on the same terms as the terms on which such other subscribers are entitled to subscribe for such new IGAS Shares. Nexen Petroleum has confirmed that it will not participate in the Placing and accordingly its percentage interest in IGAS is expected to be 24.77 per cent. assuming the issue of all of the New IGAS Shares pursuant to the Placing and the Acquisition.

Nexen Petroleum, IGAS and RBS Hoare Govett Limited will enter into the Lock-up and Orderly Market Agreement pursuant to which Nexen Petroleum will agree not to dispose of any of the Consideration Shares for a period of 9 months from the Completion Date and for a period of a further 9 months to make any disposals only (i) after consultation with IGAS; and (ii) through the Company's stockbrokers. The Lock-up and Orderly Market Agreement is subject to certain exceptions including in the event of a takeover offer being made for IGAS. The Lock-up and Orderly Market Agreement will fall away in the event that the shareholding of Nexen Petroleum falls below 20% of the issued voting share capital of IGAS. A summary of the terms of the Lock-up and Orderly Market Agreement is set out in paragraph 7 of Part 2 of this document.

### **Background to, and reasons for, the Acquisition**

Island Gas Limited ("IGL"), a wholly owned subsidiary of IGAS, currently has ownership interests in eleven PEDLs and 75 per cent. ownership of three offshore blocks held under a seaward petroleum production licence ("SPPL") in the UK. IGL's joint venture partner, Nexen Exploration, holds the balance of the ownership interests in the Licences. Nexen Exploration, the subject of the Acquisition, is a subsidiary of Nexen, a Toronto and New York Stock Exchange listed global energy company.

The relationship between Nexen and IGL began in December 2005 when, following a period of due diligence by Nexen Exploration over the original seven Licences, geological data and IGL's management team, the two parties agreed a farm-in allowing Nexen Exploration an 80 per cent. equity interest in and the rights to operate the seven PEDLs then held by IGL, namely, PEDLs 40-1, 56-1, 78-1, 92-1, 115-1, 115-2, 116 and 145. Nexen Exploration and IGL subsequently successfully applied together on a 50-50 basis for acreage in the 24<sup>th</sup> Seaward Round in 2007 and acquired the adjacent on-shore block PEDL 107 with Nexen Exploration as operator.

The joint venture arrangements were subsequently extended to cover new Licence acquisitions in May 2008 through the 13<sup>th</sup> onshore licensing round.

In August 2009 IGL increased its equity ownership in PEDLs 40-1, 56-1, 78-1, 115-1 and 115-2 from 20 per cent. to 35 per cent. in a farm-up transaction with Nexen Exploration.

In a further farm-up transaction with Nexen Exploration in December 2009 IGL increased its equity ownership in PEDL 107 and SPPL 1481 from 50 per cent. to 75 per cent., and its equity ownership in

PEDLs 116, 145, 184, 190 and 193 from 20 per cent. to 35 per cent. IGL also assumed operatorship of PEDL 107 and SPPL 1481, subject to approval by DECC, which was granted on 9 February 2011.

Under these farm-up arrangements IGAS was liable to carry Nexen Exploration's share of up to £7 million of gross expenditure, which obligation will cease to have any economic effect if the Acquisition completes as the financial arrangements will consolidate within IGAS.

Under agreements which IGL has in place with Nexen Exploration (the "Nexen Carry Agreements"), Nexen Exploration agreed to provide 100 per cent. of the funding required for work programmes (up to an aggregate maximum cap of £5.75 million in respect of all Licences to which they applied of which only £0.31 million remained available as at 30 June 2010) and retained the consultancy services of IGL in relation to the joint operations. IGL has earned further revenue from Nexen Exploration by providing personnel and other services. These Nexen Carry Agreements will cease to have any economic effect if the Acquisition completes as the financial arrangements will consolidate within IGAS and as a result IGAS will no longer be liable to repay, out of gas production, approximately £5.44 million, being the amount carried by Nexen Exploration as at 30 June 2010.

The current co-owner percentages and operator status of each of the Licences are set out below:

Licence	Nexen Interest	IGAS Interest	Operatorship
	%	%	
PEDL 40-1	65	35	Nexen Exploration
PEDL 56-1	65	35	Nexen Exploration
PEDL 78-1	65	35	Nexen Exploration
PEDL 78-2	0	100	IGAS
PEDL 92-1	80	20	Nexen Exploration
PEDL 107	25	75	IGAS
PEDL 115-1	65	35	Nexen Exploration
PEDL 115-2	65	35	Nexen Exploration
PEDL 116	65	35	Nexen Exploration
PEDL 145	65	35	Nexen Exploration
PEDL 184	65	35	Nexen Exploration
PEDL 190	65	35	Nexen Exploration
PEDL 193	65	35	Nexen Exploration
SPPL 1481	25	75	IGAS

### Information on Nexen

Nexen Exploration is a subsidiary of Nexen. Further information on Nexen is set out in paragraph 11 of Part 2 of this document.

### Effects of the Acquisition

The Board considers that the Acquisition marks a major turning point in the history of IGAS. As a result of the Acquisition IGAS will more than double its Contingent Resources, with a consequent effect on future production and giving IGAS recoverable gas potentially sufficient to supply electricity to an estimated fifteen per cent of UK households for 15 years. Additionally, IGAS will become operator of all its Licence acreage increasing its ability to deliver and accelerate its production plans. This should bring significant value not only to IGAS Shareholders but also to Nexen with its onshore UK gas interests now held in a company dedicated to delivering secure gas onshore.

The effect of the Acquisition is to increase the Company's Contingent Recoverable Resource 2C (P50) to 1,736 bcf, an increase of 115% on current GIIP or 260 million barrels of oil equivalent and its current production will triple. The Company has become the operator of the Point of Ayr Licences and will, following the Acquisition be the operator of all of the Licences. The increase in the Company's percentage interests in the Licences increases its exposure not only to the gas in coal but also to possible conventional and shale opportunities.

As a result of the acquisition IGAS' resource numbers will now be:

**GIIP – CBM and Shale (bcf):**

<b>(Now all 100% IGAS)</b>	<b>CBM Unrisked GIIP</b>	<b>Shale Unrisked GIIP</b>	<b>All unconventional Unrisked GIIP</b>
<b>Low</b>	5,155	89	5,244
<b>Medium</b>	9,107	1,139	10,246
<b>High</b>	19,462	4,644	24,106

*Source: Equipoise*

**Contingent Recoverable Resources – CBM only (bcf):**

<b>(Now all 100% IGAS)</b>	<b>Statistically aggregated</b>
<b>1C (p90)</b>	1,192
<b>2C (p50)</b>	1,736
<b>3C (p10)</b>	2,530

*Source: DeGolyer and McNaughton report as of 31<sup>st</sup> December 2008*

The above Contingent Recoverable Resources evaluation was carried out by the international petroleum consulting firm DeGolyer and MacNaughton. These results reflect only the changes in equity that have taken place since the report was initially written assessing the Contingent Recoverable Resources of the Group as at 31st December 2008. DeGolyer and MacNaughton have prepared these Contingent Recoverable Resource estimates in accordance with the Petroleum Resources Management System (PRMS) approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. Contingent Recoverable Resources are defined as discovered potentially recoverable quantities of hydrocarbons where there is no current certainty that it will be commercially viable to produce any portion of the contingent resources evaluated. Contingent Recoverable Resources are further divided into three status groups: marginal, sub-marginal, and undetermined. IGAS' Contingent Recoverable Resources all fall into the undetermined group. Undetermined is the status group where it is considered premature to clearly define the ultimate chance of commerciality.

**Board representation for Nexen Petroleum**

The Acquisition Agreement also contains provisions giving Nexen Petroleum the right to appoint a nominated individual as a director of IGAS or as an observer to the IGAS Board for so long as Nexen Petroleum maintains a shareholding of not less than 15 per cent. of the issued ordinary share capital of IGAS.

**Implementation of the Acquisition**

The Acquisition is conditional upon, inter alia, IGAS Shareholders passing of Resolution No 1 to authorise the Directors to allot and issue the Consideration Shares at the IGAS General Meeting; the receipt from DECC of a non-statutory clearance in respect of the change of control of Nexen Exploration; and Admission.

Following completion of the Acquisition, Nexen Exploration will become a wholly-owned subsidiary of IGAS.

**Reasons for the Placing and use of proceeds**

IGAS intends to drill at least two additional production wells, it is anticipated that these will be at Doe Green. IGAS is also looking to commence activity on at least one further production site by early 2012 and with the proceeds of the Placing will commence additional site construction, to ensure sufficient flexibility to fully utilise rig equipment. There will be ongoing investment in the production facilities to coincide with the production drilling sequence. The Company also plans to drill a pilot well at the Point of Ayr site assuming land and planning consents, currently being negotiated, are obtained.

The combination of established commercial production and continued drilling activity, coupled with approved Field Development Plans should allow the process of resource to reserve transfers to begin. There is also the possibility of engaging an additional rig in 2012 for which early discussions are underway.

The intention is to drill up to 3 boreholes, thus fulfilling the Company's outstanding licence commitments on 3 licences (PEDL 190, 184 and 193), with each well potentially being retained as a future production well on the site. Overall, civil construction for up to 5 sites will be carried out and the Company will continue progressing land & planning applications, production facilities design, etc.

Any funds raised pursuant to the Placing and not applied in the manner outlined above will be used for further evaluation activities on the Group's assets and for working capital purposes.

Following the Placing the Company will continue to review all available future funding options.

### **Details of the Placing**

IGAS is proposing to raise approximately £20,625,000 through the issue of 27,500,000 Placing Shares pursuant to the Placing at 75 pence per Placing Share. As announced on 11 February 2011, RBS Hoare Govett has, as agent for the Company, conditionally placed 27,500,000 Placing Shares at the Placing Price with various institutional and other investors.

The Placing Agreement and the issue of the Placing Shares is conditional, *inter alia*, upon:

- (a) the passing at the GM of the Resolutions;
- (b) the Acquisition becoming unconditional in all respects; and
- (c) Admission,

and such conditions being fulfilled not later than 8.00 a.m. on 7 March 2011 (or by such later time and/or date as RBS Hoare Govett may agree, but in any event not later than 8.00 a.m. on 31 March 2011).

The Placing Agreement is also terminable by RBS Hoare Govett in certain circumstances up until the time of Admission, including, *inter alia*, should the Company fail to comply in a material respect with any of its obligations under the Placing Agreement, or should there be a breach of a warranty contained in the Placing Agreement, or a force majeure event takes place, or a material adverse change occurs to the business of the Company or any of its subsidiaries. The Placing Agreement contains various warranties given by the Company in favour of RBS Hoare Govett with respect to the business of the Group and certain matters connected with the Placing. In addition, the Company has given indemnities to RBS Hoare Govett in connection with the Placing and the performance by RBS Hoare Govett of its services in relation to the Placing.

The Placing Price represents a discount of approximately 7.4 per cent. to the mid-market closing price of 81 pence per IGAS Share on 10 February 2011, being the last practicable dealing day prior to the announcement of the Placing. The Placing Shares represent approximately 17.15 per cent. of the enlarged issued share capital of the Company following the Placing and the completion of the Acquisition (including the issue of the Consideration Shares).

Application will be made to the London Stock Exchange for the New IGAS Shares to be admitted to trading on AIM and it is anticipated that dealings in the New IGAS Shares will commence on AIM at 8.00 a.m. on 7 March 2011.

### **Current trading and prospects**

The Company believes that it is currently the largest E&P company dedicated to UK onshore gas production currently selling gas. The Company estimates that, following the Acquisition, it will have 2C Contingent Recoverable Resources of some 1,736 bcf of gas (260 million boe), or sufficient to supply electricity to approximately 15% of all UK households for 15 years. Pilot production is ongoing and the Company is planning completion of its first commercial production site before 2012. The Company's onshore asset base contributes to UK energy security and the Company's ability to access land rights, the market and customers has been demonstrated.

The Company has extensive pre-existing data sets both from bore hole and seismic studies covering its acreage. The data sets have been corroborated by 8 wells drilled by IGAS, in conjunction with its partner Nexen, and overall the Company understands that 320 boreholes have been used to substantiate estimates of Contingent Recoverable Resources.

The Company is now producing at Doe Green where the Company has 2 wells. One of these laterals (Doe Green well 2) has been producing for almost 2 years at an average production rate that exceeds the Company's modelled threshold for commerciality. The Company achieved average daily plant uptime of 93% in the second half of 2010. Gas produced at Doe Green is currently being used to generate electricity and is being sold via the electricity grid.

With the first production site being planned for before 2012, the Company is also targeting more than 20 production sites by the end of 2014. Sites are targeted to consist of 4-6 wells delivering significant contact to coal. Each site is targeted to produce between 7 and 20 bcf over 15 years. The production from each site is targeted to peak at between 4 and 10 mmscfd (650-1,500 BOEPD). The Company is using production technology which is known and has been demonstrated in other countries. Planning has been obtained for 13 pilot/production sites to date from a variety of land owners and planning authorities.

The Company currently operates in a highly realisable gas price environment; 2012-2013 forward gas prices are approximately \$9.00 mcf (approximately 60p/therm). The Company also has direct access to many large customers with no material pipeline infrastructure required and has the legal right to access both low and high pressure gas networks. Sales can therefore be direct or through gas or electricity grids, with National Balancing Point ("**NBP**") pricing being potentially achievable, by discounting locally delivered prices for transportation from NBP.

### **General Meeting**

The notice convening the IGAS General Meeting to be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW at 10.00 am on 4 March 2011 is set out at the end of this document. At the General Meeting, the following Resolutions will be proposed:

#### *Ordinary resolutions*

- (1) to authorise the IGAS Board to allot 39,714,290 New IGAS Shares, representing approximately 29.9 per cent. of IGAS's current issued share capital as at 11 February 2011, the last practicable date before the publication of this document and prior to the issue of the Placing Shares (which will have dilutive effect). This resolution will enable IGAS to allot sufficient New IGAS Shares to satisfy its obligations in connection with the Acquisition. This authority is in addition to the authority granted at the Annual General Meeting of IGAS held on 7 June 2010 and unless previously revoked or varied will expire at the next annual general meeting of IGAS.
- (2) to grant the Directors authority to allot the Placing Shares pursuant to the Placing Agreement. This authority is in addition to the authority granted at the Annual General Meeting of IGAS held on 7 June 2010 and unless previously revoked or varied will expire 31 March 2011.

#### *Special resolution*

- (3) to disapply the statutory pre-emption rights in relation to the allotment of the Placing Shares. This authority is in addition to the authority granted at the Annual General Meeting of IGAS held on 7 June 2010 and unless previously revoked or varied will expire on 31 March 2011.

The full text of the Resolutions are set out in the notice convening the IGAS General Meeting at the end of this document. In the event that the Resolution 1 is not passed neither the Acquisition nor the Placing will proceed.

### **Action to be taken**

**You will find enclosed with this document a Form of Proxy for use at the IGAS General Meeting or at any adjournment thereof. You are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it whether or not you propose to attend the IGAS General Meeting in person in accordance with the instructions printed on it and return it as soon as possible, but in any event so as to be received no later than 10.00 am on 2 March 2011, by the Registrars, Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol BS99 6ZY.**

Alternatively you may deliver a Form of Proxy by e-mail to "IGAS@mof.com". CREST members may instead utilise the CREST electronic proxy appointment service. Procedures for these forms of electronic communications are set out in the notes to the notice convening the IGAS General Meeting at the end of this document. The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting in person if you so wish.

**Further information**

Your attention is drawn to the further information set out in Part 2 of this document which includes, inter alia, a summary of the terms of the Acquisition.

**Recommendation**

The IGAS Board considers that the Placing and the Acquisition are in the best interests of the shareholders of IGAS as a whole.

**Accordingly, the IGAS Board unanimously recommends that IGAS Shareholders vote in favour of the Resolutions to be put to the IGAS General Meeting as they intend to do in relation to their own individual holdings which amount in total to 50,668,100 IGAS Shares, representing approximately 54.42 per cent. of the existing issued share capital of IGAS. In addition, Levine Capital Management Limited, Roger Smith and Michael Smith have undertaken to vote in favour of the Resolutions in relation to their holdings which amount to a further 14,363,330 IGAS Shares, representing approximately a further 15.43 per cent. of the existing issued share capital of IGAS. Accordingly voting undertakings have been obtained in respect of 65,031,430 IGAS Shares representing approximately 69.85 per cent. of the existing issued share capital of IGAS.**

Yours faithfully,

**Francis Gugen**  
*Chairman*

## PART 2

### ADDITIONAL INFORMATION

#### 1. Share capital

The issued share capital of the Company as at the date of this document and as it is expected to be immediately following Admission is as follows:

	<i>At present</i> <i>Number</i>	£	<i>Following Admission</i> <i>Number</i>	£
IGAS Shares in issue	93,109,431	46,554,715	160,323,721	80,161,860.50

#### 2. Directors' interests

As at 11 February 2011 (being the latest date prior to the publication of this document) the interests in the issued ordinary share capital of the Company of each of the Directors and their families within the meaning of the AIM Rules for Companies (all of which, unless otherwise stated) are beneficial and the interests they are expected to have following Admission are or will be as follows:

<i>Director</i>	<i>At Present</i> <i>Number of</i> <i>IGAS Shares</i>	%	<i>Following</i> <i>Admission</i> <i>Number of</i> <i>IGAS Shares</i>	%**
Francis Gugen	27,615,764	29.66	27,615,764	17.23
Andrew Austin	11,429,253	12.28	11,429,253	7.13
Brent Cheshire	11,429,253	12.28	11,429,253	7.13
Richard Armstrong	58,460	0.06	58,460	0.04
John Bryant	50,370	0.05	50,370	0.03
John Hamilton	85,000	0.09	85,000	0.05
John Blaymires	nil		nil	

\* John Hamilton is beneficially interested in 85,000 Ordinary Shares out of a total of 12,165,000 held by Levine Capital Management Limited, whom he is deemed to be associated for these purposes.

\*\* Assumes that the full number of New IGAS Shares are issued pursuant to the Acquisition and the Placing.

#### 3. Market prices

The following table shows the closing mid market quotations for IGAS Shares on the first dealing day in each of the six months preceding the date of this document and on 11 February 2011 (being the last practicable dealing day before the publication of this document), as extracted from the Daily Official List of the London Stock Exchange:

<i>Date</i>	<i>Price</i>
11 February 2011	77.5p
10 February 2011*	81p
1 February 2011	78.5p
3 January 2011	65.75p
1 December 2010	66p
1 November 2010	64p
1 October 2010	66p
1 September 2010	77p

\* Being the closing mid market quotation for IGAS Shares on the dealing day prior to announcement of the Placing.

#### 4. Post balance sheet events

Save as disclosed in Part I of this document in the sections entitled "Background to the Placing" and "Current trading and prospects", there has been no significant change in the financial or trading position

of any member of the Group since 31 December 2009, the date to which the most recent audited consolidated financial statements of the Group were prepared.

## **5. Terms of the Acquisition Agreement and related Tax Deed**

The Acquisition Agreement is dated 31 January 2011 between (1) IGAS and (2) Nexen Petroleum. Pursuant to the terms of the Acquisition Agreement IGAS has agreed to purchase the entire issued share capital of Nexen Exploration from Nexen Petroleum for a consideration of the issue of 39,714,290 New IGAS Shares credited as fully paid.

The Acquisition Agreement contains warranties from Nexen Petroleum with respect to, amongst other things, the proper and lawful operation of the business of Nexen Exploration and the capacity of Nexen Petroleum as seller. The Acquisition Agreement also contains warranties from IGAS to Nexen Petroleum with respect to the ability of IGAS to issue the Consideration Shares and certain other matters customary in circumstances where a seller is receiving a significant share interest as consideration from a publicly traded company.

Any claims which could potentially be made by IGAS or Nexen Petroleum are limited by the terms of the Acquisition Agreement to the value of the consideration shares (valued at the Closing Price on 28 January 2011) and, in respect of warranty claims, any claims may only be made where the liability of recipient of the relevant claim exceeds £50,000 for any individual claim, and a total of £500,000 (in which case the liability is limited to the amount of the excess over £500,000).

A time limit of 18 months following the Completion Date is imposed for making claims under the general warranties. The Acquisition Agreement is governed by English law.

The Acquisition Agreement also contains provisions with respect to the ability of Nexen to appoint a nominated individual as a director of IGAS or as an observer to the IGAS Board for so long as Nexen maintains a shareholding of not less than 15 per cent. of the issued ordinary share capital of IGAS.

The Acquisition Agreement also gives Nexen the right, for so long as Nexen or its nominees holds 15 per cent. or more of the IGAS Ordinary Shares in issue from time to time, to participate in any issue of IGAS Shares for cash which is proposed by IGAS on a non-pre-emptive basis to maintain its proportionate holding. In such circumstances Nexen is entitled to subscribe for any new IGAS Shares on the same terms as the terms on which such other subscribers are entitled to subscribe for new IGAS Shares.

The parties to the Acquisition Agreement have also entered into a taxation deed (the "Tax Deed") pursuant to which Nexen Petroleum has agreed to indemnify IGAS against certain charges to taxation should such charges arise in the future out of the activities of Nexen Exploration prior to the date of the Acquisition. Claims under the Tax Deed may be brought for a period of up to 7 years following the Completion Date.

## **6. The New IGAS Shares**

The New IGAS Shares to be issued pursuant to the Acquisition Agreement and the Placing will be ordinary shares of 50 pence each in the capital of IGAS. The New IGAS Shares will be issued in registered form, will be capable of being held in both certificated and uncertificated form, will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing IGAS Shares.

Nexen Petroleum, IGAS and RBS Hoare Govett Limited will enter into a Lock-up and Orderly Market Agreement pursuant to which Nexen Petroleum will agree not to dispose of any of the Consideration Shares for a period of 9 months from the Completion Date and for a period of a further 9 months to make any disposals (i) after consultation with IGAS; and (ii) only through IGAS' stockbrokers. The Lock-up and Orderly Market Agreement is subject to certain exceptions including in the event of a takeover offer being made for IGAS. The Lock-up and Orderly Market Agreement will fall away in the event that the shareholding of Nexen Petroleum falls below 20% of the issued voting share capital of IGAS.

## **7. Net proceeds**

The total costs and expenses relating to the Placing which are payable by the Company are estimated to amount to £676,250 (excluding VAT). This amount includes £618,750 of commission payable to RBS Hoare Govett. The net proceeds of the Placing are therefore expected to amount to £19,948,750.

## **8. Documents available**

Copies of this document will be available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the offices of Morrison & Foerster (UK) LLP at CityPoint, One Ropemaker Street, London EC2Y 9AW up until the date of Admission.

## **9. Qualified Person**

John Blaymires, Chief Operating Officer of IGAS, and a qualified person as defined in the Guidance Note for Mining, Oil and Gas Companies, March 2006, of the London Stock Exchange, has reviewed and approved the technical information contained in this document. Mr. Blaymires has more than 27 years relevant experience.

## **10. Further information on Nexen**

Nexen is a Canadian-based, global energy company with a market capitalisation of approximately CN\$16bn listed on the Toronto and New York Stock Exchanges. It explores, produces and markets energy globally including in the regions of the North Sea, the deep-water Gulf of Mexico, the Middle East, onshore West Africa and the Canadian Athabasca oil sands. In addition to Nexen's experience in conventional energy, it is an experienced CBM explorer and developer having started out with CBM exploration in Alberta, West Canada in 2002. By the end of 2006 Nexen held more than 448,000 acres of land in Alberta with CBM potential and has declared an interest in increasing CBM production to at least 150 mmcfd. It was Nexen's extensive CBM experience that led it to be selected by IGL to become its operating partner over the Licences. Nexen has also made significant investment in the North Sea with approximately 36 per cent. of Nexen's total production coming from this region. Its stated strategy for the UK is to continue exploring and exploiting assets near existing infrastructure.

Dated: 14 February 2011.

## DEFINITIONS

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

<b>“£”</b>	the lawful currency of the United Kingdom;
<b>“AIM”</b>	AIM, a market of the London Stock Exchange;
<b>“Acquisition”</b>	the proposed acquisition by IGAS of the entire issued and to be issued share capital of Nexen Exploration;
<b>“AIM Rules for Companies”</b>	the rules for AIM companies issued by the London Stock Exchange (as amended from time to time);
<b>“Admission”</b>	the admission of the New IGAS Shares to trading on AIM;
<b>“Announcement”</b>	the announcement made by IGAS on 31 January 2011 of the terms of IGAS’s proposal to acquire the entire issued and to be issued share capital of Nexen Exploration;
<b>“Business Day”</b>	any day (excluding any Saturday or Sunday or public holiday in England);
<b>“Closing Price”</b>	the closing middle market price of a IGAS Share as derived from SEDOL;
<b>“Companies Act”</b>	the Companies Act 2006 as amended;
<b>“Completion Date”</b>	the date on which the Acquisition completes in accordance with its terms, which is expected to be 7 March 2011 (assuming that the consent letter from DECC is received prior to that date);
<b>“Consideration Shares”</b>	the 39,714,290 IGAS Shares proposed to be issued fully paid to Nexen Petroleum (or as it may direct) pursuant to the Acquisition Agreement;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 011378), as amended;
<b>“Enlarged Group”</b>	the IGAS Group including Nexen Exploration following the Completion Date;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited;
<b>“Existing IGAS Shares”</b>	the IGAS Shares of 50p each currently in issue;
<b>“FSA”</b>	the Financial Services Authority of the United Kingdom;
<b>“IFRS”</b>	International Financial Reporting Standards;
<b>“IGAS”</b>	IGas Energy plc;
<b>“IGAS Board”</b>	the board of directors of IGAS;
<b>“IGAS Directors”</b>	the directors of IGAS, and “IGAS Director” means any one of them;
<b>“IGAS General Meeting”</b>	the general meeting of IGAS convened by this document to be held at 10.00 am on 4 March 2011 at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW, or any adjournment thereof;
<b>“IGAS Group”</b>	IGAS and its subsidiary undertakings from time to time (which will be identical to the Enlarged Group following the Completion Date);
<b>“IGAS Shareholders”</b>	holders of IGAS Shares;
<b>“IGAS Shares”</b>	ordinary shares of 50 pence each in the capital of IGAS (including, if the context requires, the New IGAS Shares);

<b>“IGL”</b>	Island Gas Limited, a wholly owned subsidiary of IGAS;
<b>“Licences”</b>	together PEDLs 40-1, 56-1, 78-1, 78-2, 92-1, 107, 115-1, 115-2, 116, 145, 184, 190 and 193 and blocks 110/18a, 110/19a and 110/23 of SPPL 1481;
<b>“Lock-up and Orderly Market Agreement”</b>	an agreement pursuant to which Nexen Petroleum, inter alia, agrees not to dispose of the New IGAS Shares for a period of 9 months from the Completion Date, a summary of which is set out in paragraph 2 of Part 2 of this document;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“New IGAS Shares”</b>	together the Consideration Shares and the Placing Shares (or in the event that the Placing does not proceed, the Consideration Shares alone);
<b>“Nexen”</b>	Nexen Inc.;
<b>“Nexen Exploration”</b>	Nexen Exploration UK Limited;
<b>“Nexen Petroleum”</b>	Nexen Petroleum UK Limited, a subsidiary of Nexen;
<b>“Placing Agreement”</b>	the conditional agreement dated 14 February 2011 between the Company and RBS Hoare Govett relating to the Placing;
<b>“Placing Price”</b>	75 pence per Placing Share;
<b>“Placing Shares”</b>	the 27,500,000 New IGAS Shares to be issued by the Company at the Placing Price pursuant to the Placing Agreement;
<b>“Placing”</b>	the proposed placing of the Placing Shares pursuant to the Placing Agreement;
<b>“Overseas Persons”</b>	IGAS Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Registrars”</b>	Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol BS99 6ZZ;
<b>“Restricted Jurisdictions”</b>	the United States, Canada, Australia, Japan, New Zealand and South Africa;
<b>“Resolutions”</b>	the resolutions set out in the notice convening the General Meeting at the end of this document;
<b>“SEDOL”</b>	the London Stock Exchange Daily Official List;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

Unless otherwise stated, all times referred to in this document are references to the time in London.

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

For the purpose of this document, “subsidiary”, “subsidiary undertaking” and “undertaking” have the meanings respectively given to them by the Companies Act and “associated undertaking” has the meaning given to it by paragraph 19 of schedule 6 of the large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (but ignoring for this purpose sub- paragraph 1(b) thereof).

References to “£”, “sterling”, “p” and “pence” are to the lawful currency of the United Kingdom.

## GLOSSARY

The following definitions apply through this announcement, unless the context requires otherwise

bcf	billions of standard cubic feet of gas
boe	Barrels of Oil Equivalent
CBM	Coal Bed Methane
DECC	The Department for Energy and Climate Change
GIIP	gas initially in place
mmcf/d	millions of cubic feet per day (of gas)
PEDL	Petroleum Exploration and Development Licence
TCF	Trillion Cubic Feet

**IGAS ENERGY PLC**  
**(Registered in England, No 04981279)**

**NOTICE OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a General Meeting of the above named Company (the “Company”) will be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW at 10.00 am on 4 March 2011 to propose and, if thought fit, to pass the following resolution of which Resolutions 1 and 2 will be proposed as Ordinary Resolutions and Resolution 3 will be proposed as a Special Resolution:

**ORDINARY RESOLUTION**

1. THAT subject to and conditional upon the Acquisition Agreement (as defined in the circular to shareholders of which this notice forms part) becoming unconditional (save for any conditions relating to the passing of this resolution or to Admission (as defined in the circular to shareholders of which this notice forms part)), for the purposes of Section 551 of the Companies Act 2006 the Directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “relevant securities”) up to an aggregate nominal amount of £19,857,145 pursuant to the terms of Acquisition Agreement (in addition to the existing authority conferred on it by the Ordinary Resolution passed by the Company on 7 June 2010). The authority conferred by this resolution shall expire at the date of the next Annual General Meeting of the Company or, if earlier, on 31 December 2011 (unless previously revoked or varied by the Company in general meeting).
  
2. THAT, subject to the passing of Resolution No 1, above, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “relevant securities”) up to an aggregate nominal amount of £13,750,000 in connection with the Placing (as defined in the circular to shareholders of which this notice forms part) (in addition to the existing authorities conferred on the Directors by both Resolution No 1, above and the ordinary resolution passed by the Company on 7 June 2010, which shall continue in full force and effect). The authority conferred by this resolution shall expire on 31 March 2011 (unless previously revoked or varied by the Company in general meeting) save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require relevant securities to be allotted after such expiry, revocation or variation and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

**SPECIAL RESOLUTION**

3. THAT, the Directors’ written statement pursuant to section 571(6) of the Act being set out in the circular to shareholders of which this notice forms part, and such circular having been circulated to shareholders entitled to receive the same pursuant to section 571(7)(b) of the Act, subject to and conditionally upon the passing of Resolution No 2 above and in addition to all existing powers of the Directors under section 571 of the Act which shall continue in full force and effect, the Directors are empowered pursuant to section 570 of the Act to allot equity securities (as defined by section 560 of the Act for cash pursuant to the authority conferred by resolution 2 so that section 561 of the Act shall not apply to any such allotment, provided that such power shall, subject to the continuance of the authority conferred by Resolution No 2, expire on 31 March 2011, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity

securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied and provided further that such power shall be limited to the allotment of equity securities of up to an aggregate nominal amount of £13,750,000 pursuant to the Placing.

Dated: 14 February 2011.

Registered office  
International House  
1-6 Yarmouth Place  
London  
W1J 7BU

**BY ORDER OF THE BOARD**  
MoFo Secretaries Limited  
Company Secretary

*Notes:*

- (1) A Shareholder entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote on a show of hands and on a poll instead of him or her. The proxy need not be a member of the Company. Where a Shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the proxy form. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint Shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior Shareholder will be accepted as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy.
- (2) To be effective an instrument appointing a proxy and any authority under which it is executed (or a notarially certified copy of such authority) must be deposited at the offices of Computershare Investor Services plc at The Pavilions, Bridgewater Road, Bristol BS99 6ZY not later than 10.00 am on 2 March 2011 except that, (a) should the meeting be adjourned, such deposit may be made not later than 48 hours before the time of the adjourned meeting and (b) in the case of a poll taken more than 48 hours after it was demanded, such deposit may be made not later than 24 hours before the time appointed for the taking of the poll. In calculating the said periods of 48 and 24 hours for deposit of a proxy, there is to be excluded any part of a day which is a Saturday or Sunday, Christmas Day, Good Friday or a bank holiday in England. A Form of Proxy is enclosed with this notice. Shareholders who intend to appoint more than one proxy can obtain additional Forms of Proxy from Computershare Investor Services plc by telephoning them on 0870 707 1106. Alternatively, the form provided may be photocopied prior to completion. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made.  
  
Completion and return of the Form of Proxy or the electronic appointment of a proxy will not preclude Shareholders from attending and voting in person at the meeting.
- (3) An abstention (or "vote withheld") option has been included on the Form of Proxy and in the available options for electronic proxy voting. The legal effect of choosing the abstention option on any resolution is that the shareholder concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
- (4) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001 and section 360B(2) of the Companies Act 2006, the Company specifies that only those Shareholders registered in the register of members of the Company as at 10.00 am on 2 March 2011 or, in the event that the meeting is adjourned, in such register not later than 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. Changes after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
- (5) Shareholders, proxies and authorised representatives may raise questions at the meeting concerning any business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the preparation of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- (6) Please note that the General Meeting is a private meeting for shareholders, proxies and any other duly authorised representatives. Other persons, including spouses and partners of those entitled to attend are not entitled as of right to admission to the meeting.

