

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about its contents or what action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, as amended, if you are in the United Kingdom or otherwise from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the accompanying Form of Proxy, as soon as possible, 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 transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States, Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.

This document should be read as a whole in conjunction with the accompanying Form of Proxy and the notice of General Meeting set out at the end of this document.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. The Placing Shares are expected to be admitted to AIM and to commence trading at 8.00 a.m. on 7 July 2009.

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## **Volga Gas plc**

*(incorporated in England and Wales under the Companies Act 1985 with registered number 5886534)*

### **Placing of 27,000,000 new Ordinary Shares at US\$1.00 or 61.4 pence per share**

**and**

### **Notice of General Meeting**

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Your attention is drawn to the letter from the Chairman of the Company, which is set out on pages 5 to 9 of this document, recommending that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the offices of Akin Gump LLP at Eighth Floor, Ten Bishops Square, London E1 6EG at 10.00 a.m. (London time) on 6 July 2009 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. To be valid, the Form of Proxy, completed and executed in accordance with the instructions printed on it, should be returned by hand or by post to the Company's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event by not later than 10.00 a.m. on 4 July 2009. Completion and return of a Form of Proxy will not preclude a member from attending and voting in person at the General Meeting.

Oriel Securities, which is regulated by the Financial Services Authority, is acting as the Company's nominated adviser in connection with the proposed admission to AIM of the Placing Shares. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to London Stock Exchange plc and are not owed to the Company or to any Director or to any person in respect of his decision to acquire shares in the Company in reliance on any part of this document. No representation or warranty, express or implied, is made by Oriel Securities as to any of the contents of this document and without limiting the statutory rights of any person to whom this document is issued, no liability whatsoever is accepted by Oriel Securities for the accuracy of any information contained in this document or for the omission of any material information, for which the Directors are solely responsible. Oriel Securities will not be offering advice and will not be otherwise responsible for providing customer protections to recipients of this document in respect of the Placing.

The Placing Shares referred to in this document have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the requirements of the Securities Act. There will be no public offer of the Placing Shares in the United States, the United Kingdom or elsewhere. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of this offering. Any representation to the contrary is unlawful.

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## EXPECTED TIMETABLE

Latest time for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 4 July 2009
General Meeting	10.00 a.m. on 6 July 2009
Admission and commencement of dealings in the Placing Shares	8.00 a.m. on 7 July 2009
Delivery in CREST of Placing Shares to be held in uncertificated form	7 July 2009
Despatch of definitive share certificates for Placing Shares (if required)	By 17 July 2009

## PLACING STATISTICS

Placing Price	US\$1.00 or 61.4 pence*
Number of Ordinary Shares currently in issue	54,017,800
Number of Placing Shares to be issued	27,000,000
Number of Ordinary Shares in issue following the Placing	81,017,800
Number of Placing Shares as a percentage of the Enlarged Share Capital	33.3 per cent.
Approximate proceeds of the Placing (net of Placing expenses)	US\$26.6 million/ £16.3 million

\* All US\$/£ exchange rate references in this document assume an exchange rate of 61.4 pence/US\$1.00.

## DEFINITIONS

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

“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the rules published from time to time by London Stock Exchange relating to AIM comprising the “AIM Rules for Companies” and the “AIM Rules for Nominated Advisers”;
“Announcement”	the RNS announcement issued by the Company on 18 June 2009 with RNS Number 1027U in respect of the Placing;
“Baring Vostok Private Equity Fund III”	Baring Vostok Private Equity Fund III L.P.1, Baring Vostok Private Equity Fund III L.P.2, and Baring Vostok Fund III Co-investment L.P.;
“Baring Vostok Private Equity Fund IV”	Baring Vostok Private Equity Fund IV, L.P., Baring Vostok Fund IV Co-investment, L.P.1 and Baring Vostok Fund IV Co-investment, L.P. 2;
“Board” or “Directors”	the board of Directors of the Company;
“Bookbuilding”	has the meaning set out in paragraph 4 of Appendix 1 of the Announcement;
“BVCP”	Baring Vostok Capital Partners Limited;
“Enlarged Share Capital”	the Company’s issued share capital immediately after completion of the Placing;
“Existing Ordinary Shares”	the Ordinary Shares in issue at the date of this document;
“Form of Proxy”	the form of proxy accompanying this document, for use by Shareholders in connection with the General Meeting;
“FSA”	the UK Financial Services Authority;
“General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 6 July 2009 (or any adjournment thereof), notice of which is set out at the end of this document;
“Group”	the Company together with its subsidiaries;
“Joint Bookrunners”	Oriel Securities and Renaissance Capital;
“London Stock Exchange”	London Stock Exchange plc;
“Ordinary Shares”	ordinary shares of 1p each in the capital of the Company;
“Oriel Securities”	Oriel Securities Limited;
“pence”	pence sterling;
“Placing”	the conditional placing by the Joint Bookrunners of the Placing Shares with investors at the Placing Price pursuant to the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 18 June 2009 between the Company and the Joint Bookrunners relating to the Placing;
“Placing Price”	US\$1.00 or 61.4 pence per Placing Share;

“Placing Shares”	27,000,000 new Ordinary Shares to be placed pursuant to the Placing;
“Renaissance Capital”	Renaissance Securities (Cyprus) Limited;
“Resolution”	the special resolution to be proposed at the General Meeting as set out in the notice of General Meeting at the end of this document;
“RUR”	Russian Roubles;
“Securities and Exchange Commission”	United States Securities and Exchange Commission, the agency responsible for administering federal securities laws in the US;
“Shareholders”	holders of issued Ordinary Shares;
“Trans Nafta”	ZAO Trans Nafta;
“US\$”	US dollar;
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction;
“Volga Gas” or “the Company”	Volga Gas plc;
“£”	pounds sterling.

## LETTER FROM THE CHAIRMAN

### VOLGA GAS PLC

*(incorporated and registered in England and Wales with registered number 5886534)*

*Directors:*

Alexey Kalinin *(Non-Executive Chairman)*  
Mikhail Ivanov *(Chief Executive Officer)*  
Tony Alves *(Chief Financial Officer)*  
Ronald Freeman *(Non-Executive Director)*  
Stephen Ogden *(Non-Executive Director)*  
Vladimir Koshcheev *(Non-Executive Director)*  
Michael Calvey *(Non-Executive Director)*

*Registered Office:*

Ground Floor,  
17-19 Rochester Row  
London SW1P 1QT

19 June 2009

Dear Shareholder,

### PLACING OF NEW ORDINARY SHARES

#### 1. Introduction

Volga Gas, the independent oil and gas exploration and production company with licence areas in the Volga region of European Russia, yesterday announced that it has raised US\$27 million (£16.6 million) before expenses (approximately US\$26.6 million/ £16.3 million net) through a placing, subject, *inter alia*, to the approval of the Shareholders of the Company, of 27,000,000 Placing Shares with certain existing investors including certain directors of the Company at a price of US\$1.00 or 61.4 pence per share.

The purpose of this document is to explain the background to and reasons for the Placing and why the Directors believe it to be in the best interests of the Company and its Shareholders. At the end of the document is a notice convening a General Meeting for 10.00 am on 6 July 2009 at which the Directors will seek your approval of the Resolution. The Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting.

#### 2. Background to and reasons for the Placing

When Volga Gas was established in 2006, the Board's vision was to develop a substantial hydrocarbon resource with a particular emphasis on gas in a region of Russia that had the benefits of well developed infrastructure and proximity to consuming markets. A key part of this vision was the deep sub-salt potential that was indicated, but as yet unproven, in the Company's Karpenskiy licence area ("KLA"). Since then, the Group has added other exploration and development licences (Vostochny-Makarovskoye, Pre-Caspian and Urozhainoye-2) to its portfolio and has successfully established shallow oil production within the KLA.

As the Company announced during 2008, its ownership of the Vostochny-Makarovskoye ("VM") licence was the subject of threatened legal action. This action was subsequently withdrawn but led to a delay in the development of the VM field and to material legal expenses. The full details of this litigation are contained in announcements made by the Company on the Regulatory News Service on 28 August and 12 November 2008. In parallel with the resolution of the legal issues, the Company agreed with Trans Nafta, from whom the Company originally purchased its VM interest, to combine their respective gas processing assets to create a joint venture, of which the Company has a 75 per cent. share, that would serve both the VM field and Trans Nafta's nearby Dobrinskoye field. As a result of this settlement, the Company made a prepayment of RUR 600 million (approximately US\$22 million at prevailing exchange rates) in November 2008 for the Company's share of the costs of the gas processing unit which will be jointly owned by the Company and Trans Nafta.

The final operational framework for the joint venture and the legal transfer of the gas processing unit assets to the joint venture have yet to be concluded. Legal completion is conditional, *inter alia*, on the plant being formally commissioned by 30 September 2009. Should this not be achieved within that timeframe, the Company has the right to unwind the joint venture and to seek recovery of its RUR 600 million pre-payment with accrued interest. Should these circumstances arise, it would be necessary to construct alternative processing facilities and pipeline access for the VM field which would result in further delays in initial production.

Prior to the emergence of these legal issues, the Company had significantly advanced the deep sub-salt exploration project. 267 km<sup>2</sup> of 3-D seismic data was acquired by the Company during 2007 and processed and interpreted in 2008 resulting in 393 mmboe of C3 resources being identified. The location had been selected for the first deep exploration well in the KLA on the Yuzhny Ershovskoye prospect and a rig with the necessary specifications was mobilised onto the drilling location. Due to the uncertainty arising from the above legal action, the Company secured the agreement of the rig contractor to place the rig temporarily on standby. The Company will have to decide by 1 September 2009 whether to release the rig or to instruct the contractor and other service providers to commence drilling the deep well.

At the end of 2008, the Company's net cash position was US\$23.1 million, with no debt. As previously announced to Shareholders, the drilling of the deep well will require the Company to secure additional funds.

The Directors have carefully considered the various options available to the Company, including releasing the rig, and have concluded that, given the significant mobilisation costs already incurred, the uncertainty of securing another suitable rig in the future, the competitive drilling rates secured and the importance of the deep exploration project to the Company's development, it is in the best interests of Shareholders to raise additional funds at this time and to proceed with the drilling during 2009.

Given the nature of the undertaking, i.e. the drilling of an exploration well, and the current relatively early stage of the Company's development, the Board considers it appropriate for the Company to raise finance through an issue of new Ordinary Shares.

While the drilling of this sub-salt exploration well is a key strategic activity of the Company as set out in the Company's AIM admission document in 2007, it remains an undertaking with significant geological, technical and operational risks. There is no certainty that commercial quantities of hydrocarbons will be discovered as a result of drilling the well.

### **3. Use of Proceeds**

The primary use of the net proceeds of the Placing will be to fund the forward costs of the Grafovskoye # 1 sub-salt well on the Yuzhny Ershovskoye field in the KLA. This well has a budgeted cost of US\$18.7 million, excluding costs incurred to date. Given that it is a deep well with technically challenging drilling, the Board considers it prudent to have additional funds in place to cover the risk of cost over-runs. Should the well be drilled within budget, which is the Board's aspiration, the remaining funds will be applied towards bringing forward exploration and development projects within the Group's existing licence areas, including:

- Medium depth exploration in the Yuzhny Mokrousovskoye area of the KLA (see below)
- Pre-Caspian licence area where there is further major sub-salt exploration potential
- Urozhainoye-2 licence which contains an existing oil discovery

The Group's existing cash reserves are expected to be sufficient to cover the other planned capital expenditure, working capital and provide headroom for additional investment.

#### **4. Current trading and operational update**

Full time production commenced late in 2008 from the shallow Uzenskaya field in the KLA. In the first five months of 2009, production has averaged 953 barrels of oil per day with the oil being sold into the domestic market directly from the field processing plant. Average net wellhead sales prices were US\$15.30 per barrel (exclusive of VAT). With very low operating costs, this production is currently generating sufficient cash flow to cover the Group's running costs.

Since the start of 2009, the Group has completed two producing wells (Uz # 4 and Uz # 5) on Uzenskaya. The Group intends to drill at least two further production wells on the same field later in 2009. Meanwhile, the Uz # 7 well on a separate structure 7km to the east of Uzenskaya has discovered a thin productive oil zone in a secondary target, the primary objective having been found to be water bearing. This will be subject to further technical evaluation, possibly including 3-D seismic, before appraisal drilling.

Elsewhere in the KLA, interpretation of 3-D seismic data over the deep Yuzhny Mokrousovskoye prospect has identified a potentially significant structure at a depth of approximately 2000 metres. This appears to be a potentially oil bearing prospect.

On VM, the two initial wells VM # 1 and VM # 2 have been connected to the gas processing unit. Construction of the gas processing unit is in the final stages. Subject to successful commissioning, the VM field is ready to start production.

#### **5. Details of the Placing**

The Company is proposing to raise US\$27 million (before expenses) (approximately US\$26.6 million/£16.3 million net of expenses) in a conditional placing of 27,000,000 Placing Shares at a price of US\$1.00 or 61.4 pence per share. The Placing Shares (if subscribed for in full) will, on issue, represent approximately 33.3 per cent. of the Enlarged Share Capital.

The Placing Price represents a discount of 9.3 per cent. to the average middle market closing quotation of the Ordinary Shares for the five business days up to and including 17 June 2009 and a discount of 15.9 per cent. to the closing middle market quotation of the Ordinary Shares on 17 June 2009, the latest date prior to the Announcement.

The Placing is being conducted, subject to the satisfaction of certain conditions, through an accelerated bookbuilding process to be carried out by the Joint Bookrunners. The Bookbuilding is expected to close at 4.00 pm. on the date of this document but may close earlier or later.

The Company yesterday entered into the Placing Agreement with the Joint Bookrunners. Under the terms of the Placing Agreement, the Joint Bookrunners have agreed, conditional *inter alia* upon the passing of the Resolution and upon Admission taking place before 8.00 a.m. on 7 July 2009 (or such later time and date as the Company and the Joint Bookrunners may agree not being later than 31 July 2009) to use their reasonable endeavours to procure placees to subscribe for the Placing Shares at the Placing Price and to assist the Company with the Admission of the Placing Shares. The Placing is conditional on the Placing Agreement not having been terminated in accordance with its terms. The Company is to pay all costs, charges and expenses of or incidental to the Placing.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that, conditional upon the passing of the Resolution at the General Meeting and on the Placing Agreement otherwise becoming wholly unconditional and not being terminated in accordance with its terms, dealings in the Placing Shares will commence on 7 July 2009. The Placing Shares will, when issued, rank *pari passu* with the Existing Ordinary Shares and will rank in full for dividends and other distributions declared, made or paid on or after Admission in respect of the ordinary share capital of the Company. Immediately upon Admission, the Company will have 81,017,800 Ordinary Shares in issue.

The terms and conditions of the Placing and the Bookbuilding are set out in the Announcement.

## 6. Baring Vostok Private Equity Fund IV participation in the Placing

In order to support the Placing, Baring Vostok Private Equity Fund IV has undertaken to subscribe for up to 27,000,000 Placing Shares (the “**BVPEF IV Placing Commitment**”) on the basis that the BVPEF IV Placing Commitment will be reduced if and to the extent that the Joint Bookrunners and the Company find other subscribers for Placing Shares (the “**Other Subscribers**”); and (ii) the Other Subscribers make due settlement for their Placing Shares in accordance with the terms and conditions of the Announcement, provided that in no event shall Baring Vostok Private Equity Fund IV be allocated, and subscribe for, fewer than 14,804,100 Placing Shares (the “**Minimum BVPEF IV Placing Commitment**”). The BVPEF IV Placing Commitment is conditional on the Placing Agreement having been entered into and having become unconditional in all respects and not having been terminated in accordance with its terms.

Baring Vostok Private Equity Fund IV’s investment adviser is BVCP. BVCP is also investment adviser to Baring Vostok Private Equity Fund III, the Company’s majority beneficial Shareholder, which holds 54.8 per cent. of the Existing Ordinary Shares at the date of this document.

If no Other Subscribers are found to participate in the Placing then, following Admission, Baring Vostok Private Equity Fund III and Baring Vostok Private Equity Fund IV (together, “**Baring Vostok**”) would, together, hold Ordinary Shares representing approximately 69.9 per cent. of the Enlarged Share Capital of the Company. If Baring Vostok Private Equity Fund IV subscribes only for the Minimum BVPEF IV Placing Commitment, then, following Admission, Baring Vostok would hold Ordinary Shares representing 54.8 per cent. of the Enlarged Share Capital of the Company.

## 7. Related Party Transaction

BVCP is a related party under the AIM Rules and Alexey Kalinin and Michael Calvey, its two co-managing partners, are Directors of the Company. Baring Vostok Private Equity Fund IV’s participation in the Placing is therefore a related party transaction for the purposes of the AIM Rules. Accordingly, the Directors (other than Messrs Kalinin and Calvey), having consulted with Oriel Securities (in its capacity as the Company’s nominated adviser pursuant to the AIM Rules), confirm that they are satisfied that the terms of Baring Vostok Private Equity Fund IV’s participation in the Placing are fair and reasonable insofar as the Shareholders are concerned. In being consulted, Oriel Securities has relied on the Directors’ commercial assessment of the transaction.

## 8. Director participation in the fundraising

Mikhail Ivanov (Chief Executive Officer), Tony Alves (Chief Financial Officer), Ron Freeman (a non-executive Director) and Stephen Ogden (a non-executive Director), have undertaken to participate in the fundraising taking up to 433,350 Placing Shares between them.

Following the Placing, the resulting shareholdings of those Directors who have subscribed for Placing Shares are set out below:

<i>Director</i>	<i>Holding of Ordinary Shares pre-Admission</i>	<i>Placing Shares subscribed for in Placing</i>	<i>Holding of Ordinary Shares on Admission</i>	<i>Percentage holding of the issued share capital prior to Admission</i>	<i>Percentage of the enlarged issued share capital on Admission</i>
Mikhail Ivanov	575,100*	258,350	833,450	1.06%	1.03%
Tony Alves	—	25,000	25,000	—	0.03%
Ron Freeman	5,000	50,000	55,000	0.01%	0.07%
Stephen Ogden	15,000	100,000	115,000	0.03%	0.21%

\* This figure includes 50,000 Ordinary Shares Mr Ivanov has agreed to acquire from Vlarehill Limited. This transaction, which was announced by the Company on 14 May 2009, has not yet completed.

## **9. Reasons to disapply pre-emption rights**

The Directors (other than Messrs Kalinin and Calvey) have considered the most appropriate method to conduct the fundraising. This included consideration of a placing and open offer or rights issue. The time and costs associated with a pre-emptive offer resulting from the introduction of the EU Prospectus Rules (which came into force in July 2005) are considered by the Directors to be excessive given the size of the fundraising. The making of a pre-emptive offer would require the production of a prospectus which would have to comply with the Prospectus Rules and be pre-vetted and approved by the FSA. After careful consideration the Directors (other than Messrs Kalinin and Calvey) concluded that the benefit of minimising the costs of the fundraising by way of a non pre-emptive cash placing would be in the Company's and Shareholders' best interests.

The Company does not currently have in place sufficient existing authorities to enable the allotment of equity securities for cash on a non pre-emptive basis for the purposes of the Placing. Accordingly, the Company is seeking Shareholders' approval (pursuant to the Resolution) to dis-apply pre-emption rights at the General Meeting to the extent required to facilitate the Placing.

This will allow the Directors to allot the Placing Shares. This power will be in addition to any previous authorities and powers given to the Directors and shall expire at the conclusion of the 2010 annual general meeting of the Company.

## **10. Undertakings**

The Company has received irrevocable undertakings to vote in favour of the Resolution from the Directors holding (directly or indirectly) in aggregate 1,411,650 Ordinary Shares representing 2.6 per cent. of the Existing Ordinary Shares.

## **11. General Meeting**

Set out at the end of this document you will find a notice convening a General Meeting of the Company to be held at the offices of Akin Gump LLP at Eighth Floor, Ten Bishops Square, London E1 6EG at 10.00 a.m. on 6 July 2009. A Form of Proxy to be used by Shareholders in connection with the General Meeting is enclosed. At the General Meeting the Resolution will be proposed as a special resolution to disapply statutory pre-emption rights in respect of the allotment of the Placing Shares for cash.

Baring Vostok Private Equity Fund III will not be voting on the Resolution in accordance with the terms of the relationship agreement it entered into on 20 April 2007 with the Company and Cavendish Nominees Limited.

## **12. Action to be taken**

Shareholders will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting in person, it is important that you complete and sign the enclosed Form of Proxy in accordance with the instructions printed on it and return it to the Company's registrars, Capita, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and in any event so as to arrive no later than 10.00 a.m. on 4 July 2009. Completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting, should you wish to do so.

## **13. Recommendation**

**The Directors consider that the proposals described in this document are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution.**

Yours sincerely,

**Alexey Kalinin**  
*Non-executive Chairman*

# VOLGA GAS PLC

(incorporated and registered in England and Wales with registered number 5886534)

## NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting (the “**General Meeting**”) of Volga Gas plc (the “**Company**”) will be held at the offices of Akin Gump LLP, Eighth Floor, Ten Bishops Square, London E1 6EG on 6 July 2009 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as a special resolution:

### SPECIAL RESOLUTION

THAT, conditional upon the Placing Agreement (as defined in the Circular despatched to the shareholders of the Company dated 19 June 2009 (the “**Circular**”)) becoming unconditional in all respects save only for the passing of this resolution and Admission (as defined in the Circular) and it not being terminated in accordance with its terms, the Directors be and are hereby generally and unconditionally empowered in accordance with section 95 of the Companies Act 1985 (the “**Act**”) to allot equity securities (as defined in section 94 of the Act) for cash pursuant to the authority conferred on them to allot equity securities (as defined in section 80 of the Act) by a resolution of the Company passed at the Company’s last Annual General Meeting held on 18 June 2009, as if section 89(1) of the Act did not apply to any such allotment, provided that the power conferred by this resolution shall be limited to the allotment of equity securities up to an aggregate nominal amount of £270,000 to persons applying for shares in the Placing (as defined in the Circular) and the power conferred hereby shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2010, save that the Company may before such expiry make any 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 as if the power conferred hereby had not expired.

By Order of the Board  
Tony Alves  
*Company Secretary*  
19 June 2009

*Registered Office:*  
Ground Floor  
17-19 Rochester Row  
London SW1P 1QT

#### NOTES TO THE NOTICE OF GENERAL MEETING, INCLUDING EXPLANATORY NOTES TO THE FORM OF PROXY:

1. The resolution proposed is a special resolution. For this resolution to be passed, at least three-quarters of the votes cast at the Company’s General Meeting must be in favour of the resolution.
2. A member entitled to attend and vote at the General Meeting convened by the above Notice may appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote on his or her behalf. In order to be valid an appointment of proxy must be delivered by post, by courier or by hand to the Company’s registrars, Capita Registrars (the “**Registrar**”), Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU and must be received by the Registrar not less than 48 hours before the time of the General Meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the General Meeting or any adjourned meeting (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 6.00 p.m. on 4 July 2009 (or 10.00 a.m. on the date two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. A Form of Proxy is enclosed for use by shareholders. The appointment of a proxy does not preclude a shareholder from attending the General Meeting and voting in person.
5. Any power of attorney or other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
6. You may appoint more than one proxy provided that 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, the Form of Proxy should be photocopied and the name of the proxy to be appointed indicated on each Form of Proxy together with the number of shares that such proxy is appointed in respect of. All copies of the Form of Proxy should then be sent to the Registrar at the address given above.
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).

