

**NOTICE OF ANNUAL GENERAL MEETING  
(Registered Number: SC225242)**

Notice is hereby given that the 2008 Annual General Meeting of Bowleven plc (the 'Company') will be held at The Balmoral Hotel, 1 Princes Street, Edinburgh EH2 2EQ on Thursday, 11 December 2008 at 1.00pm to consider the following business:

**ORDINARY BUSINESS**

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

- 1 To receive the Company's annual report and accounts for the financial year ended 30 June 2008 together with the reports of the directors and the auditors thereon.
- 2 That Ernst & Young LLP be re-appointed as auditors, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company, and that the directors be authorised to determine the auditor's remuneration.
- 3 That Ed Willett, who was appointed as a director since the last Annual General Meeting, be re-appointed as a director of the Company.
- 4 That John D Brown, who retires by rotation, be re-elected as a director of the Company.
- 5 That Chief Tabetando, who retires by rotation, be re-elected as a director of the Company.

**SPECIAL BUSINESS**

To consider, and if thought fit, to pass the following resolutions which will be proposed as special resolutions:

- 6 That, in substitution for all existing powers conferred under that section to the extent unused, the directors be empowered pursuant to section 95(1) of the Companies Act 1985 (the 'Act') to allot equity securities (within the meaning of section 94(2) of the Act), for cash pursuant to the authority under section 80 of the Act granted to the Directors by the special resolution of the Company passed at the extraordinary general meeting of the Company held on 18 December 2006 as if section 89(1) of the Act did not apply to the allotment, provided that this power:

- (i) shall expire on the conclusion of the next Annual General Meeting of the Company held after the passing of this resolution, save that the Company may, before this power expires or is replaced or revoked, make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry or replacement or revocation and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired or as the case may be, been replaced or revoked; and
  - (ii) shall be limited to the allotment of equity securities up to an aggregate nominal amount equal to £1,304,599.77
- 7 That the regulations contained in the document produced to the meeting (and signed by the chairman for the purposes of identification only) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

By Order of the Board  
Peter G Wilson  
Company Secretary

Dated **3 November 2008**

Registered Office:

1 North St Andrew Lane  
Edinburgh  
EH2 1HX

## NOTICE OF ANNUAL GENERAL MEETING continued

### Notes

- 1 A member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend, speak and vote at the meeting instead of him/her. A member may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a member of the Company. A form of proxy is enclosed with this notice of Annual General Meeting.
- 2 To be valid, a duly executed form of proxy (together with any authority, if any, under which it is executed, or a certified copy of such power or authority) must be sent or delivered to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to be received by no later than 1.00pm on 9 December 2008 (being 48 hours prior to the time fixed for the meeting) or, if the meeting is adjourned, not less than 48 hours before the time appointed for the adjourned meeting. To appoint more than one proxy, additional proxy forms can be obtained by contacting the Company's registrars' helpline on **0870 707 1284** or you may photocopy the enclosed form of proxy. All forms should be signed and returned in the same envelope.
- 3 Completion, signature and submission of a form of proxy will not preclude a member of the Company entitled to attend and vote from attending and voting, in substitution for his/her proxy, should he/she so wish.
- 4 In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting instructions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.
- 5 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the Register of Members of the Company as at 6.00pm on 9 December 2008 or, in the event that the meeting is adjourned, in the Register of Members of the Company as at 6.00pm on the second day immediately preceding the day of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after 6.00pm on 9 December 2008 or, in the event that the meeting is adjourned, after 6.00pm on the second day immediately preceding the day of the adjourned meeting, shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 6 The following documents are available for inspection by any person at Bowleven plc, 1 North St Andrew Lane, Edinburgh, EH2 1HX (being the Registered Office of the Company) during normal business hours on any weekday (Saturdays, Sundays and public holidays excluded) and will be available for inspection at the place of the Annual General Meeting from 12.45pm until the conclusion of the annual general meeting:
  - (a) a copy of the proposed new articles of association of the Company, and a copy of the existing

articles of association marked to show the differences between the existing and proposed new articles of association;

- (b) the Company's annual report and accounts for the year ended 30 June 2008;
- (c) copies of the service contracts of John Brown, Kevin Hart, John Morrow, Chief Tabetando, Ed Willett and Peter Wilson (being the executive directors of the Company); and
- (d) copies of the letters of appointment of Caroline Cook and Ronnie Hanna (being the non-executive directors of the Company).

7 A member may not use any electronic address provided either in this notice of Annual General Meeting or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

## APPENDIX

### EXPLANATORY NOTES OF THE PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

We are asking shareholders to approve (by virtue of resolution 7 to be proposed at the forthcoming Annual General Meeting) the adoption of new articles of association, which contain a number of amendments to our existing articles of association (the 'Current Articles'), primarily to reflect the provisions of the Companies Act 2006. The following is a summary of the principal differences between the Current Articles and the proposed new articles of association (the 'New Articles'). Other changes, which are of a minor, technical or clarifying nature, and also some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted below.

#### 1. **Articles which duplicate statutory provisions**

Provisions in the Current Articles which replicate provisions contained in the Companies Act 2006 are in the main amended to bring them in line with the Companies Act 2006. Examples include provisions as to the forms of resolutions and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

#### 2. **Form of resolution**

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being amended as the concept of extraordinary resolutions has not been retained under the Companies Act 2006.

The Current Articles enable members to act by written resolution. Under the Companies Act 2006, public companies can no longer pass written resolutions. These provisions have, therefore, been removed in the New Articles.

#### 3. **Variation of class rights**

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the Companies Act 2006. The relevant provisions have therefore been amended in the New Articles.

#### 4. **Convening general meetings and annual general meetings**

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended to conform to new provisions of the Companies Act 2006. In particular a general meeting (other than an Annual General Meeting) to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

#### 5. **Votes of members**

Under the Companies Act 2006, multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The New Articles reflect this. The New Articles also clarify that (as

provided by the Companies Act 2006) proxies are entitled to vote on a show of hands (as well as on a poll).

**6. Age of directors on appointment**

The Current Articles contain a provision disappling section 293 of the Companies Act 1985 in respect of directors aged 70 or over. As this was repealed from 6 April 2007, it has been removed in the New Articles.

**7. Conflicts of interest**

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act 2006, from 1 October 2008, a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another company or a trustee of another organisation. The Companies Act 2006 allows directors of a public company to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The Companies Act 2006 also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when the directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers to authorise conflicts are operated efficiently.

**8. Directors' indemnities and loans to fund expenditure**

The Companies Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies.

**9. Retirement of directors by rotation**

The Current Articles contain provisions which are not entirely consistent with the recommendations made in the Combined Code on Corporate Governance regarding

the frequency with which directors should offer themselves for re-election. The New Articles contain provisions which are consistent with the Combined Code.

10. **Electronic provisions**

At the Annual General Meeting of the Company held on 13 December 2007, the shareholders passed a special resolution enabling the Company to take advantage of the new regime for electronic communications introduced by the Companies Act 2006. The New Articles have been updated to incorporate those changes.

11. **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.