



Kea Petroleum PLC
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Date: 29 October 2010

To all shareholders

Notice of 2010 Annual General Meeting

Dear Shareholder,

The first Annual General Meeting ("**Meeting**") of Kea Petroleum plc (the "**Company**") is due to take place on Thursday 25 November 2010 at 11.00 a.m. at the offices of the Company at **1st Floor, 5-8 The Sanctuary, London, SW1P 3JS.**

The Meeting is being held to comply with company law requirements and to pass a standard set of shareholder resolutions typically proposed at an annual general meeting. Further details on some of the resolutions to be proposed are set out below. You will be given the opportunity to raise any questions in relation to any of the resolutions at the Meeting.

Re-appointment of Directors (Resolutions 3 to 7)

Under Article 117 of the articles of association of the Company, one third of the Directors who have been in office the longest since their last election shall retire from office and be eligible for re-appointment. Therefore Peter Wright will retire by rotation at the Meeting, and is willing to be re-appointed as a Director.

In addition, under Article 122 of the articles of association of the Company, any current Directors who were appointed by the Board of Directors rather than by the shareholders of the Company shall only hold office until the next following annual general meeting and shall then be eligible for re-election. Accordingly, John Conolly, David Bennett, John Bentley and Peter Mikkelsen are each retiring under such article and are willing to be re-appointed as Directors.

The Board believes that each of the Directors retiring at the Meeting continues to bring extensive relevant experience to the Board, and, as a result, the Board recommends that all such Directors be re-appointed.

Authority to allot shares (Resolution 8)

Under the provisions of the Companies Act 2006, the Directors of the Company may only allot unissued shares if authorised to do so by the Company's articles of association or by its shareholders in a general meeting. The authority to allot granted at the General Meeting of the Company held on 23 October 2009 will expire at the conclusion of this Meeting. Resolution 8 will provide the Directors with an authority to allot new ordinary shares representing the equivalent of one third of the issued ordinary share capital of the Company as at 28 October 2010, and an additional one third of the issued ordinary share capital of the Company as at 28 October 2010, provided that such additional shares are offered on a pre-emptive basis. This represents up to 339,070,000 ordinary shares having a nominal value of £3,390,700. If given, the authority will expire on the earlier of 31 December 2011 or the date of the next annual general meeting in 2011, unless revoked or varied by the Company from time to time in a subsequent general meeting.

Disapplication of pre-emption rights (Resolution 9)

Resolution 9 is proposed as a special resolution. This means that for the resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution. This resolution grants the Directors authority to allot equity securities for cash, without the need first to offer such shares to existing shareholders. The proposed limit on the nominal value of ordinary shares that may be allotted for cash is £1,017,210 which represents 20 per cent of the nominal value of the issued ordinary share capital as at 28 October 2010 (being the latest date prior to the publication of this notice).

Recommendation

The Directors consider that all the proposals to be considered at the Meeting are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company. The Directors unanimously recommend that you vote in favour of all the proposed resolutions, as they propose to do in respect of their own holdings in the ordinary share capital of the Company.

Yours sincerely,

Ian Gowrie-Smith
Chairman

KEA PETROLEUM PLC

(Company Number 7023751)

Notice of 2010 Annual General Meeting

Notice is hereby given that the 2010 Annual General Meeting of **Kea Petroleum plc** (the "**Company**") will be held at the offices of the Company at 1st Floor, 5-8 The Sanctuary, London, SW1P 3JS on Thursday 25 November 2010 at 11.00 a.m. to transact the following business, of which resolutions 1 to 8 will be proposed as ordinary resolutions and resolution 9 as a special resolution:

ORDINARY RESOLUTIONS

- 1 To receive and adopt the Directors' Report, the Audited Statement of Accounts and Auditors' Report for the period ended 31 May 2010.
- 2 To re-appoint Grant Thornton UK LLP as auditors of the Company and to authorise the Directors to fix their remuneration.
- 3 To re-elect Peter Wright as a Director who retires by rotation in accordance with Article 117 of the Articles of Association of the Company and is eligible for re-election.
- 4 To re-elect John Conolly as a Director who was appointed by the Directors since incorporation of the Company and so retires in accordance with Article 122 of the Articles of Association of the Company and is eligible for re-election.
- 5 To re-elect David Bennett as a Director who was appointed by the Directors since incorporation of the Company and so retires in accordance with Article 122 of the Articles of Association of the Company and is eligible for re-election.
- 6 To re-elect John Bentley as a Director who was appointed by the Directors since incorporation of the Company and so retires in accordance with Article 122 of the Articles of Association of the Company and is eligible for re-election.
- 7 To re-elect Peter Mikkelsen as a Director who was appointed by the Directors since incorporation of the Company and so retires in accordance with Article 122 of the Articles of Association of the Company and is eligible for re-election.
- 8 THAT the Directors be and they are hereby generally and unconditionally authorised in substitution for all previous powers granted to them (but without prejudice to the continuing power of the Directors to allot equity securities (as defined in section 551 of the Companies Act 2006 (the "**Act**")) pursuant to an offer or agreement made by the Company before the date this resolution is passed) to exercise all of the powers of the Company to allot relevant securities pursuant to section 551 of the Act up to:
 - (a) a maximum aggregate nominal amount of £1,695,350 (being approximately one third of the issued share capital as at 28 October 2010); and
 - (b) in addition to the amount referred to in (a) above, up to a maximum aggregate nominal amount of £1,695,350 (being approximately one third of the issued share capital as at 28 October 2010) in connection with a rights issue in favour of holders of ordinary shares of 1p each in the capital of the Company ("**Ordinary Shares**") where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury

shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

provided that such authority shall expire on the earlier of the conclusion of the next following Annual General Meeting of the Company or 31 December 2011 unless and to the extent that such authority is renewed or extended prior to such date so that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted in pursuance of such offer or agreement as if the authority conferred hereby had not expired. This authority is without prejudice to the continuing authority of the Directors to allot relevant securities in pursuance of an offer or agreement made before the expiry of the authority pursuant to which such offer or agreement was made.

SPECIAL RESOLUTION

9 THAT, subject to Resolution 8 above being passed, the Directors be and they are hereby empowered pursuant to section 570 of the Act in substitution for all such powers previously given (but without prejudice to the continuing power of the Directors to allot equity securities pursuant to an offer or agreement made by the Company before the date this resolution is passed) to allot equity securities (within the meaning of section 560 of the Act), as if section 561 of the Act did not apply to such allotment provided that this power shall be limited to:

- (a) in connection with an offer of such securities by way of a rights issue or other pro rata offer to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than pursuant to sub-paragraph (a) above, the allotment of equity securities up to an aggregate nominal amount of £1,017,210,

provided that this power shall expire on the earlier of the conclusion of the following Annual General Meeting of the Company or 31 December 2011 unless and to the extent that such authority is renewed or extended prior to such date so that the Company may before such expiry make an offer or agreement which would or might require the Directors to allot equity securities in pursuance of such an offer as if the authority conferred hereby had not expired.

BY ORDER OF THE BOARD

David Smith
Secretary

29 October 2010

Registered Office:
5-8 The Sanctuary
London
SW1P 3JS

EXPLANATORY NOTES

Entitlement to attend and vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:

- 6 p.m. on 23 November 2010; or
- if this Meeting is adjourned, at 6 p.m. on the day two days prior to the adjourned meeting,

shall be entitled to attend and vote at the Meeting.

Appointment of proxies

If you are a member of the Company at the time set out in the note above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the proxy form provided and submit all such forms to Capita Registrars.

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

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

- completed and signed;
- sent or delivered to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU; and
- received by Capita Registrars no later than 11 a.m. on 23 November 2010.

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

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

Appointment of proxy by joint members

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).

Changing proxy instructions

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see previous page) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars no later than 11 a.m. on 23 November 2010. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

As at 6 p.m. on 28 October 2010, the Company's issued share capital comprised 508,605,000 ordinary shares of 1 pence each. Each ordinary share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 p.m. on 28 October 2010 is 508,605,000.

Communication

Except as provided above, members who have general queries about the Meeting should call the shareholder helpline of Capita Registrars on 0871 664 0300 Calls cost 10p per minute plus network extras. Lines are open 8.30am to 5.30pm (no other methods of communication will be accepted).

You may not use any electronic address provided either in this notice of general meeting or any related documents to communicate with the Company for any purposes other than those expressly stated.

