

# Nostra Terra

OIL & GAS COMPANY PLC

## Nostra Terra Oil and Gas Company plc

Finsgate, 5-7 Cranwood Street, London EC1V 9EE

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Nostra Terra Oil and Gas Company plc (the "Company") will be held at The Travellers Club, 106 Pall Mall, London SW1 5EP on 30 June 2010 at 11 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions in the case of resolutions 1 to 4 and as special resolutions in the case of resolutions 5 and 6.

### Ordinary business

#### ORDINARY RESOLUTIONS

- 1 To receive the report of the Directors and the audited financial statements of the Company for the year ended 31 December 2009.
- 2 To re-elect as a Director of the Company Sir Adrian Blennerhassett, who retires by rotation under the Articles of Association of the Company and, being eligible, offers himself for re-election.
- 3 To re-appoint Jeffrey's Henry LLP as auditors of the Company to act until the conclusion of the next Annual General Meeting and to authorise the Directors to determine the remuneration of the auditors.
- 4 That to the exclusion of and in substitution for any such authority previously conferred upon them and subsisting at the date of this Resolution (save to the extent that the same may already have been exercised and save for any such authority granted by statute), the Directors be and are hereby authorised, generally and unconditionally for the purpose of section 551 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of that Act) up to a maximum aggregate nominal amount of £950,000 PROVIDED THAT:
  - a. this authority shall expire on the date of the next annual general meeting of the Company; and
  - b. the Company may before such expiry date make an offer, agreement or other arrangement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer, agreement or arrangement as if the authority hereby conferred had not so expired.

## SPECIAL RESOLUTIONS

- 5 That in substitution for all existing and unexercised authorities and subject to the passing of the immediately preceding Resolution, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Act to allot relevant securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by the preceding Resolution as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by the Resolution, unless previously revoked or varied by special resolution of the Company in general meeting, shall be limited:
- a. to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interest of all such shareholders are proportionate (as nearly as may be) to the respective numbers of the ordinary shares held by them subject only to such exclusions or other arrangements as the directors of the company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory, and;
  - b. to the allotment (otherwise than pursuant to sub-paragraph a. above) of equity securities up to an aggregate nominal amount of £950,000 in respect of any other issues for cash consideration;

and shall expire on the date of the next Annual General Meeting of the Company save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

### **Special business**

- 6 That the existing Articles of Association of the Company shall no longer apply and that in the place of those, the Articles of Association attached to these resolutions and signed by the chairman for identification purposes shall be adopted by the Company, and that the Company Secretary be instructed to file them with the Registrar of Companies.

#### **By order of the Board:**

International Registrars Ltd  
Company Secretary

#### **Registered office:**

Finsgate  
5-7 Cranwood Street  
London EC1V 9EE

*4 June 2010*

## Notes to the Notice of Annual General Meeting

1. The notice of meeting includes a resolution to amend the Company's articles of association. The amended articles include amendments to ensure that they comply with the provisions of the Companies Act 2006 (the "2006 Act") the final provisions of which came into force on 1 October 2009. It is, therefore, proposed that the Company adopts new articles of association at the meeting to incorporate those changes introduced by the 2006 Act and to generally update the articles.

By way of a brief summary, the principal changes to be made to the current articles include:

### *(a) The Company's objects*

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

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

Further the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are to be treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 6 confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the new articles also contain an express statement regarding the limited liability of the shareholders.

### *(b) Articles which duplicate statutory provisions*

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

### *(c) Change of name*

Currently, a company can only change its name by special resolution. Under the Companies Act 2006 a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the new articles enable the directors to pass a resolution to change the Company's name.

### *(d) Authorised share capital and unissued shares*

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

### *(e) Redeemable shares*

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

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

Under the law currently in force, a company requires specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or

other undistributable reserves as well as shareholder authority to undertake the relevant action. The current articles include these enabling provisions. Under the Companies Act 2006 a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the new articles.

*(g) Provision for employees on cessation of business*

The Companies Act 2006 provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorized by the company's articles or by the company in general meeting. The new articles provide that the Directors may exercise this power.

*(h) Use of seals*

A company currently requires authority in its articles to have an official seal for use abroad. After 1 October 2009 such authority will no longer be required. Accordingly the relevant authorisation has been removed in the new articles.

The new articles provide an alternative option for execution of documents (other than share certificates). Under the new articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a Director and the Secretary or two Directors or such other person or persons as the Directors may approve.

*(i) Suspension of registration of share transfers*

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

*(j) General*

Generally the opportunity has been taken to bring clearer language into the new articles.

The new articles will, subject to the passing of resolution 6, come into effect at the conclusion of the AGM. A full copy of the amended articles of association is available from the Company's website at [www.ntog.co.uk](http://www.ntog.co.uk) or alternatively a hard copy can be requested by telephoning Sue Steadman on 020 7309 2277.

## **Entitlement to attend and vote**

2. 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 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting.

## **Appointment of proxies**

3. If you are a member of the Company at the time set out in note 2 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.

4. 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.

5. 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, please contact the registrars of the Company, Share Registrars Limited, on 01252 821390.

6. 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**

7. 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 Share Registrars Limited at Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719232; and
- received by Share Registrars Limited no later than 48 hours prior to the Meeting.

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**

8. 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**

9. 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 above) 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 Share Registrars Limited on 01252 821390.

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**

10. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

- by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL; or
- by facsimile transmission to 01252 719232. 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. In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours prior to the Meeting.

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**

11. As at 4 June 2010, the Company's issued share capital comprised 1,231,100,913 ordinary shares of £0.001 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 4 June 2010 is 1,231,100,913.

### **Communications with the Company**

12. Except as provided above, members who have general queries about the Meeting should telephone Sue Steadman on 020 7309 2277 (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 (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.