

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in the Company, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

RUSPETRO PLC

(incorporated and registered in England and Wales under company number 07817695)



NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW on 17 April 2013 at 11.00 a.m. is set out at the end of this circular.

Shareholders are requested to complete and return the Form of Proxy enclosed with this document as soon as possible but in any event, to be valid, so as to be received by the Company's registrars, Capita Registrars, at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 11.00 a.m. on 15 April 2013.

The return of the Form of Proxy will not preclude a member from attending and voting at the Annual General Meeting in person should he or she subsequently decide to do so.

**DIRECTORS, SECRETARY AND REGISTERED OFFICE OF
RUSPETRO PLC**

Directors

Chris Clark	Chairman
Donald Wolcott	Chief Executive Officer
Thomas Reed	Chief Financial Officer
Alexander Chistyakov	Executive Director
James McBurney	Independent Non-Executive Director
Robert Jenkins	Independent Non-Executive Director
James Gerson	Non-Executive Director
Joe Mach	Independent Non-Executive Director
Rolf Stomberg	Senior Independent Non-Executive Director

**Secretary and Registered
Office**

Rachael Hambrook
2nd Floor
Cassini House
57-59 St. James's Street
London SW1A 1LD

CHAIRMAN'S LETTER



RUSPETRO PLC

(incorporated and registered in England and Wales under company number 07817695)

Registered office: 2nd Floor, Cassini House, 57-59 St. James's Street, London SW1A 1LD

25 March 2013

Dear Shareholder

Annual General Meeting

I am pleased to be writing to you with details of our second Annual General Meeting (the "AGM") which we are holding at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW on 17 April 2013 at 11.00 a.m. The notice convening the AGM is set out on page 5 of this document.

If you would like to vote on the resolutions but cannot attend the AGM, please complete the Form of Proxy enclosed with this document and return it to our registrars, Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. They must receive it by no later than 11.00 a.m. on 15 April 2013.

Explanatory notes on all the business to be considered at this year's AGM appear on page 13 of this document. Resolutions 1 to 13 (inclusive) seek the necessary shareholder approvals by way of ordinary resolutions and resolutions 14 to 16 (inclusive) seek the necessary shareholder approvals by way of special resolutions. The Directors intend to put each of the resolutions to the meeting on a poll.

In summary the shareholder authority sought includes:

- to receive and adopt the Company's annual accounts for the financial year ended 31 December 2012 together with the directors' report and the auditor's report on those accounts;
- to approve the directors' remuneration report for the financial year ended 31 December 2012;
- to re-appoint PricewaterhouseCoopers LLP as auditors of the Company;
- the re-election of Donald Wolcott, Thomas Reed, Alexander Chistyakov, Chris Clark, Robert Jenkins, James McBurney, James Gerson, Rolf Stomberg and Joe Mach as directors of the Company (the "**Directors**");
- the renewal of the Directors authority to issue ordinary shares, or transfer ordinary shares from treasury, on a pre-emptive basis;

- the renewal of the authority to make market purchases of ordinary shares; and
- the renewal of the authority for the Company to call a general meeting, other than an annual general meeting, on not less than 14 clear days' notice.

Recommendation

The Directors of the Company consider that all the proposals to be considered at the AGM 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 for the benefit of its members as a whole. The Directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use in connection with the AGM. Shareholders, whether or not they propose to attend the AGM in person, are requested to complete, sign and return the enclosed Form of Proxy, in accordance with the instructions printed thereon, so as to be received by the Company's registrars, Capita Registrars, at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, by not later than 11.00 a.m. on 15 April 2013. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting at the AGM in person if they wish to do so.

Notice of publication of Annual Report

Notice is hereby given that Ruspetro plc's 2012 Annual Report (the "2012 Annual Report") has been published on the Company's website [www.Ruspetro.com](http://www.ruspetro.com). It can be accessed <http://www.ruspetro.com> by going to the Company's home page, clicking on the Investors' section of the website and then clicking on Presentations and reports. If you have elected to receive shareholder correspondence in hard copy, then the Annual Report will accompany this Notice of Meeting. Should you wish to change your election at any time, or if you wish to request a hard copy of the 2012 Annual Report, you can do so by contacting our registrars.

Yours faithfully

Mr. Chris Clark

Chairman

RUSPETRO PLC

(incorporated and registered in England and Wales under company number 07817695)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “**Meeting**”) of the Company will be held at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW on 17 April 2013 at 11.00 a.m.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 13 will be proposed as ordinary resolutions and resolutions 14 to 16 will be proposed as special resolutions.

Ordinary Business

1. THAT the Company's annual accounts for the financial year ended 31 December 2012 together with the directors' report and the auditor's report on those accounts be received and adopted.
2. THAT the directors' remuneration report for the financial year ended 31 December 2012 be approved.
3. THAT PricewaterhouseCoopers LLP be re-appointed as auditors of the Company 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 agree their remuneration.
4. THAT Donald Wolcott be re-elected as a director of the Company.
5. THAT Thomas Reed be re-elected as a director of the Company.
6. THAT Alexander Chistyakov be re-elected as a director of the Company.
7. THAT Chris Clark be re-elected as a director of the Company.
8. THAT Robert Jenkins be re-elected as a director of the Company.
9. THAT James McBurney be re-elected as a director of the Company.
10. THAT James Gerson be re-elected as a director of the Company.
11. THAT Rolf Stomberg be re-elected as a director of the Company.
12. THAT Joe Mach be re-elected as a director of the Company.

Special Business

13. THAT the directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into shares of the Company:
 - (a) up to a maximum nominal amount of £11,112,716;
 - (b) comprising equity securities (as defined in the Companies Act 2006) up to a nominal amount of £22,225,432 including within such limit any shares and

rights to subscribe for or convert any security into shares allotted under paragraph (a) above) in connection with an offer by way of a rights issue:

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise considers necessary, and so that the directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or other matter,

such authority to apply until the earlier of the conclusion of the Company's 2014 annual general meeting and the close of business on 30 June 2014 but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

SPECIAL RESOLUTIONS

14. THAT conditional upon resolution 13 being passed, the directors be given power pursuant to section 570 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash under the authority granted by such resolution, and/or where the allotment is treated as an allotment of equity securities under section 560(2)(b) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such power to be limited:

(a) To the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under paragraph 13(b), by way of a rights issue only):

(i) To ordinary shareholders in proportion (as nearly as may be practicable) to their existing shareholdings; and

(ii) To the holders of other equity securities, as required by the rights of those securities, or as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or other matter; and

(b) in the case of the authority granted under paragraph 13(a) of resolution 13 and/or in the case of a transfer of treasury shares which is treated as an allotment of equity securities under section 560(2)(b) of the Companies Act 2006, to the allotment (otherwise than under paragraph 14(a) of this resolution) of equity securities up to a nominal amount of £1,666,907.40,

such authority to expire at the conclusion of the next annual general meeting or, if earlier, the close of business on 30 June 2014, unless previously renewed, varied or revoked by the Company, save that the Company may make offers and enter into

agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

15. THAT the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.10 each in the capital of the Company, subject to the following restrictions and provisions:
- (a) The maximum number of ordinary shares hereby authorised to be purchased is 33,338,148;
 - (b) The minimum price which may be paid for any such ordinary share is £0.10;
 - (c) The maximum price, exclusive of expenses, which may be paid for any such ordinary share shall be the higher of (i) the amount equal to 105 per cent of the average of the closing middle market quotations for an ordinary share (as derived from the London Stock Exchange Daily Official List) for the five business days immediately preceding the day on which the ordinary share is purchased and (ii) the amount stipulated by article 5(1) of the Buy-back and Stabilisation Regulations 2003 (in each case exclusive of expenses;) and
 - (d) The authority hereby conferred shall, unless previously revoked or varied, expire at the conclusion of the next annual general meeting of the company to be held in 2014, or if earlier, the close of business on 30 June 2014 save in relation to purchases of ordinary shares the contract for which was concluded before the expiry of this authority and which will be executed wholly or partly after such expiry, where the Company may make a purchase of ordinary shares in pursuance of such contract.
16. THAT a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.

All previous unutilised authorities for the Company to make market purchases of ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and where such purchase has not yet been executed.

By Order of the Board

Rachael Hambrook
Company Secretary

Ruspetro plc
2nd Floor
Cassini House
57-59 St. James's Street
London SW1A 1LD

25 March 2013

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Inspection of Documents

The following documents will be available for inspection at the registered office of the Company from 25 March 2013 until the time of the Meeting and will be available at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW for at least 15 minutes prior to the Meeting and during the Meeting:

- Copies of the service contracts of executive directors of the Company.
- Copies of the letters of appointment of the non-executive directors of the Company.
- A copy of the Company's annual accounts for the financial year ended 31 December 2012 together with the directors' report and auditor's report on those accounts.
- A copy of the directors' remuneration report for the financial year ended 31 December 2012.
- A copy of the principal terms of the auditor liability limitation agreement proposed to be entered into between the Company and PricewaterhouseCoopers LLP.

Entitlement to attend and vote

1. The right to attend and vote at the Meeting is determined by reference to the register of members. Only those members registered on the Company's register of members at:
 - (i) 6.00 p.m. on 15 April 2013; or
 - (ii) if this Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting,shall be entitled to attend and vote at the Meeting.
2. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

Publication of information in advance of Meeting

3. A copy of this notice and other information which the Company is required by section 311A of the Companies Act 2006 to publish in advance of the Meeting, can be accessed at www.Ruspetro.com.

Attending in person

4. If you wish to attend the AGM in person, you are requested to bring your admittance pass (which is attached to the Form of Proxy) with you to the Meeting. On arrival at the Meeting venue, all those entitled to vote will be required to register. In order to facilitate these arrangements, please arrive at the Meeting venue in good time and have your admittance pass to hand. You will be given instructions on how to complete your poll card/vote on a show of hands at the Meeting.

Right to ask questions

5. At the Meeting the Company must cause to be answered any question that a member attending the Meeting asks relating to the business being dealt with at the Meeting in accordance with section 319A of the Companies Act 2006. However, no such answer need be given where:
 - (i) answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
 - (ii) the answer has already been given on a website in the form of an answer to a question; or
 - (iii) it is undesirable in the interests of the Company or the good order of the Meeting that the question is answered.

Appointment of proxies

6. If you are a member of the Company at the time set out in note 1 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.
7. 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.
8. If you are not a member of the Company but you have been nominated by a member of the Company under section 146 of the Companies Act 2006 to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this “Appointment of proxies” section. Please read the section “Nominated persons” below.
9. A proxy does not need to be a member of the Company but must attend the Meeting in order 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.
10. 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 card.

Appointment of proxy using hard copy proxy form

11. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.
12. To appoint a proxy using the proxy form, the form must be:
 - (i) completed and signed;

- (ii) sent or delivered to Capita Registrars at PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and
 - (iii) received by Capita Registrars, together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority, no later than 11.00 a.m. on 15 April 2013.
13. Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by the member will result in proxy appointments being invalid.
 14. In the event that a poll is demanded at the Meeting and such poll is taken more than 48 hours thereafter, this proxy form may be returned to Capita Registrars at the address in note 12 so as to arrive not later than 24 hours before the time appointed for such poll. In the event that a poll is demanded at the Meeting, and such poll is not taken forthwith but is taken less than 48 hours after the Meeting, this proxy form may be delivered at the Meeting to the chairman or to the secretary or to a director.
 15. 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 a duly authorised officer of the company or an attorney for the company, stating their capacity.
 16. 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.

Electronic appointment of proxies

17. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by visiting www.capitashareportal.com. For an electronic proxy appointment to be valid, your appointment must be received by Capita Registrars no later than at least 48 hours before the Meeting or any adjournment thereof.

Appointment of proxies through CREST

18. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
19. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s (“**EUI**”) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent (ID RA10) no later than 11.00 a.m. on 15 April 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

20. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
21. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

22. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Issued shares and total voting rights

23. As at 5.00 p.m. on 22 March 2013, being the last day prior to publication of this notice, the Company's issued share capital comprised 333,381,480 ordinary shares of £0.10 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 5.00 p.m. on 22 March 2013 is 333,381,480.
24. The website referred to in note 3 will include information on the number of shares and voting rights.

Website publication of audit concerns

25. Pursuant to Chapter 5 of Part 16 of the Companies Act 2006 (sections 527 to 531), where requested by either:
 - (i) a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company; or
 - (ii) at least 100 members have a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital,

the Company must publish on its website, a statement setting out any matter that such members propose to raise at the Meeting relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting.

26. Where the Company is required to publish such a statement on its website:
 - (i) it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
 - (ii) it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and

- (iii) the statement may be dealt with as part of the business of the Meeting.
27. The request must:
- (i) either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported; and
 - (ii) be received by the Company at least one week before the Meeting.

Nominated persons

28. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights:
- (i) you may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (the “**Relevant Member**”) to be appointed or to have someone else appointed as a proxy for the Meeting;
 - (ii) if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights; and
 - (iii) your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

Communication

29. Except as provided above, members who have general queries about the Meeting should contact the Company Secretary, Rachael Hambrook use the following means of communication (no other methods of communication will be accepted):
- (i) Telephone: +44 (0) 207 318 1268
 - (ii) Fax: +44 (0) 207 318 1299
 - (iii) Email: rhambrook@Ruspetro.com

EXPLANATORY NOTES ON THE RESOLUTIONS

ORDINARY BUSINESS

Receipt and adoption of the Company's annual accounts for the financial year ended 31 December 2012 together with the directors' report and the auditor's report on those accounts (Resolution 1)

The directors of the Company must present annual accounts together with the director's report and the auditor's report on those accounts to the shareholders at its AGM. These are contained in the 2012 Annual Report which is available at the Company's website www.Ruspetro.com. It can be accessed <http://www.ruspetro.com> by going to the Company's home page, clicking on the Investors' section of the website and then clicking on Presentations and reports.

Approval of the directors' remuneration report for the financial year ended 31 December 2012 (Resolution 2)

In accordance with section 439 of the Companies Act 2006, the Board has submitted its directors' remuneration report to a vote of the shareholders. Shareholders should note that this vote is advisory only and does not affect the actual remuneration paid to any individual director. The Directors' remuneration report for the year ended 31 December 2012 is set out on pages 45 to 56 of the 2012 Annual Report. As required by the Regulations the Company's Auditors, PricewaterhouseCoopers LLP, have audited the areas of the Remuneration Report which are required to be audited, and their report may be found on page 57 of the 2012 Annual Report. The Board considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives.

Reappointment and remuneration of Auditors (Resolution 3)

Resolution 3 proposes the reappointment of PricewaterhouseCoopers LLP as Auditors of the Company and authorises the Directors to set their remuneration.

Election of Directors (Resolution 4 to 12)

The Company's Articles of Association require that all Directors of the Company (as at the date of the notice convening the annual general meeting) shall retire at each annual general meeting. Therefore, at this AGM all of the Directors will retire and stand for re-election as Directors. Brief details of all the Directors appear on the Company's website at www.Ruspetro.com. Chris Clark, James McBurney, Robert Jenkins, Joe Mach and Rolf Stomberg are Non-Executive Directors whom the Board consider to be independent. A formal performance evaluation has been conducted by the Board in relation to the performance of each of the Directors. Having considered the performance of and contribution made by each of the Directors standing for re-election the Board remains satisfied that the performance of each of the relevant Directors continues to be effective and to demonstrate commitment to the role and as such recommends their election.

SPECIAL BUSINESS

Directors' authority to allot securities (Resolution 13)

The Company's Directors may only allot Ordinary Shares or grant rights over Ordinary Shares if authorised to do so by shareholders. The authority granted at the last annual general meeting on 6 June 2012 to allot relevant securities will expire at the conclusion of this AGM. Accordingly, this resolution seeks to grant a new authority under section 551 of the Companies Act 2006 to authorise the Directors to allot shares (including treasury shares) in

the Company or grant rights to subscribe for, or convert any security into, shares in the Company and will expire at the conclusion of the next annual general meeting of the Company in 2014 or, if earlier, the close of business on 30 June 2014.

If passed, Resolution 13(a) would give the Directors authority to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal value of £11,112,716 representing approximately one-third (33.33%) of the Company's existing issued share capital (excluding shares held in treasury) and calculated as at 22 March 2013 (being the latest practicable date prior to publication of this notice). In accordance with the latest institutional guidelines issued by the Association of British Insurers ("ABI"), paragraph 13(b) of Resolution 13 if passed, would give the Directors authority to allot, including the shares referred to in paragraph 13(a) of Resolution 13, further of the Company's shares in connection with a pre-emptive offer by way of a rights issue to shareholders up to a maximum nominal amount of £22,225,432, representing approximately two thirds (66.67%) of the Company's existing issued share capital (excluding shares held in treasury) and calculated as at 22 March 2013 (being the latest practicable date prior to publication of this notice).

There is no present intention of exercising this authority. However, it is considered prudent to maintain the flexibility that this authority provides. If they do exercise the authority, the Directors intend to follow emerging best practice as regards its use (including as regards the Directors standing for re-election in certain cases), as recommended by the ABI. The Company's Directors intend to renew this authority annually.

Disapplication of pre-emption rights (Resolution 14)

Under section 561(1) of the Companies Act 2006, if the Directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Companies Act 2006 unless the shareholders have first waived their pre-emption rights. At the Annual General Meeting held on 6 June 2012 a special resolution was passed, under Sections 570 and 573 of the Companies Act 2006, empowering the directors to allot equity securities for cash without first being required to offer such shares to existing Shareholders. This authority is due to expire at the end of the AGM.

Resolution 14 asks the shareholders to renew this authority and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of £1,666,907.40 (which includes the sale on a non-pre-emptive basis of any shares held in treasury), which is equivalent to approximately 5 per cent of the Company's issued ordinary share capital as at 22 March 2013 (being the latest practicable date prior to publication of this notice). The Company undertakes to restrict its use of this authority to a maximum of 7.5 per cent of the Company's issued ordinary share capital in any three-year period. Shareholders will note that this resolution also relates to treasury shares and will be proposed as a special resolution.

This resolution seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders. If given, the authority will expire at the conclusion of the next annual general meeting of the Company in 2014 or, if earlier, the close of business on 30 June 2014. The Company's Directors intend to renew this authority annually.

Authority to purchase own shares (Resolution 15)

In certain circumstances it may be advantageous for the Company to purchase its own shares and Resolution 15 seeks the authority from shareholders to continue to do so. Authority was given to the Company to make market purchases up to an aggregate of approximately 10 per cent of the Company's issued ordinary share capital at the annual general meeting held on 6 June 2012. This authority is due to expire at the end of this AGM and it is proposed that the Company be authorised to continue to make market purchases of up to 33,338,148 of its Ordinary Shares as further described below. The directors will continue to exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be to increase earnings per share and will be likely to promote the success of the Company for the benefit of its members as a whole. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority. Save to the extent purchased pursuant to the Companies Act 2006, any shares purchased in this way will be cancelled and the number of shares in issue will be reduced accordingly. The Company may hold in treasury any of its own shares that it purchases pursuant to the Companies Act 2006 and the authority conferred by this resolution. This gives the Company the ability to reissue treasury shares quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy employee share scheme awards with treasury shares.

The proposed authority would be limited to purchase of up to 33,338,148 Ordinary Shares which is equal to approximately 10 per cent of the Company's issued ordinary share capital as at 22 March 2013 (being the latest practicable date prior to publication of this notice). The resolution specifies the maximum and minimum prices at which the Company's shares may be bought.

For information, as at 22 March 2013 (being the latest practicable date prior to publication of this notice) there were outstanding 10,362,632 awards and options to subscribe for Ordinary Shares, representing approximately 3.11 per cent of the Company's issued ordinary share capital (excluding treasury shares). If this authority was exercised in full, the awards and options would represent approximately 3.11 per cent of the Company's issued ordinary share capital (excluding treasury shares).

Resolution 15 will be proposed as a special resolution to provide the Company with the necessary authority. If given, this authority will expire at the conclusion of the next annual general meeting of the Company in 2014 or, if earlier, the close of business on 30 June 2014.

The Directors intend to seek renewal of this power at subsequent annual general meetings.

Authority to hold general meetings (other than annual general meetings) on 14 clear days' notice (Resolution 16)

At the Annual General Meeting held on 6 June 2012, shareholders authorised the calling of general meetings other than an AGM on not less than 14 clear days' notice, and it is proposed that this authority be renewed. This Resolution is required to reflect the changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 (the "**Shareholders' Rights Regulations**"). The Shareholders' Rights Regulations require the notice period for general meetings of the Company to be 21 days unless shareholders approve a shorter period (which they can do for all meetings apart from annual general meetings), which cannot however be less than 14 clear days. The Company would like to be able to call general meetings (other than its annual general meeting) on 14 clear days' notice in common with other listed companies. In order to be able to do so the Company's shareholders must approve the calling of such meetings on 14 clear days' notice. Resolution 16 seeks such approval. One condition is that the Company offers a facility for shareholders to vote by

electronic means and the Company undertakes to meet the requirements for electronic voting under the Shareholders' Rights Regulations before calling a general meeting on 14 clear days' notice. The other condition is that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 clear days. Therefore, if given, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.