

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are taking advice in the United Kingdom or, if you are taking advice in another jurisdiction, from an appropriately authorised independent professional adviser.

If you have sold or otherwise transferred all your Ordinary Shares please forward this document together with the accompanying notice of General Meeting and 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 transmission to the purchaser or transferee.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Ordinary Shares or any other securities, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or inducement in relation thereto.

The Existing Ordinary Shares are admitted to trading on AIM under the symbol AUL. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the United Kingdom Listing Authority has examined or approved the contents of this document. This document does not constitute a recommendation regarding securities of the Company.

Application will be made for the New Ordinary Shares to be admitted to AIM. It is expected that Admission will become effective and that dealings will commence in the New Ordinary Shares at 8.00 a.m. on 3 December 2010.

All the New Ordinary Shares will on Admission rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends or other distributions hereafter declared, paid or made.

Aurelian Oil & Gas PLC

(Incorporated and registered in England and Wales with registered no. 01685863)

Proposed conditional placing of New Ordinary Shares of 5 pence each

Notice of General Meeting of Shareholders

The Directors, whose names and functions appear on page 7 of this document, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Your attention is drawn to the letter from the Chairman of the Company set out on pages 7 to 11 of this document which contains your Board's recommendation to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of the General Meeting to be held at 11 a.m. on 2 December 2010 at the offices of Norton Rose LLP, 3 More London Riverside, London SE1 2AQ is set out at the end of this document. Whether or not you propose to attend the General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. The Form of Proxy must be received no later than 11 a.m. on 30 November 2010 at the offices of the Company's registrars, Computershare. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may appoint a proxy electronically by following the instructions set out in Note 8 on page 16 so that it is received by the Company's registrars by no later than 11 a.m. on 30 November 2010. The time of receipt of the electronic appointment of a proxy will be taken to be the time from which the Company's registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Completing and posting of the Form of Proxy or completing and transmitting the electronic appointment of a proxy will not prevent you from attending and voting in person at the General Meeting if you wish to do so.

This document contains (or may contain) certain forward-looking statements with respect to the Company and certain of its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. Examples of forward-looking statements include statements regarding or which make assumptions in respect of the working capital which will be needed by the Group to fund its operations for the next 12 months. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of oil or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future exploration, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the Financial Services Authority, the London Stock Exchange or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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IMPORTANT NOTICES

The distribution of this document in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of the jurisdiction concerned. **This document does not constitute or form part of any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for New Ordinary Shares in any jurisdiction in which such offer, invitation or solicitation is unlawful.**

In particular, the New Ordinary Shares are being offered and sold outside of the United States in reliance on Regulation S under the US Securities Act. None of the Existing Ordinary Shares or New Ordinary Shares has been, or will be, registered under the US Securities Act or the state securities laws of the United States and, subject to certain exceptions, none of them may be offered or sold in the United States.

EXPECTED TIMETABLE

Latest time and date for receipt of completed Forms of Proxy and electronic appointments of proxy	11 a.m. on 30 November 2010
General Meeting	11 a.m. on 2 December 2010
Admission and commencement of dealings in New Ordinary Shares on AIM	8.00 a.m. on 3 December 2010
Despatch of definitive share certificates on or as soon as practicable after	8 December 2010

Each of the times and dates above is subject to change. References to time in this document are to London time unless stated otherwise. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a Regulatory Information Service.

PLACING STATISTICS

Number of Ordinary Shares in issue before Admission	339,695,249
Number of Ordinary Shares being issued pursuant to the Placing	Up to a maximum of 146,888,231
Number of Ordinary Shares in issue immediately following the Placing ⁽¹⁾	486,583,480
New Ordinary Shares as a percentage of the Enlarged Issued Share Capital ⁽¹⁾	approximately 30%
Placing Price	57.5 pence
Placing proceeds (net of expenses) ⁽¹⁾	€95 million

Notes:

- (1) Based on the assumption that the maximum number of New Ordinary Shares (i.e. 146,888,231) is issued pursuant to the Placing.

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“Admission”	the admission of the New Ordinary Shares to be issued in connection with the Placing to trading on AIM and such admission becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules for AIM companies entitled “AIM Rules for Companies” published by the London Stock Exchange in relation to AIM traded securities in force from time to time
“Board”	the board of Directors of the Company for the time being, including a duly constituted committee of the Directors
“Bookrunners”	Macquarie Capital (Europe) Limited and Oriel Securities Limited
“Company”	Aurelian Oil & Gas PLC
“Computershare”	Computershare Investor Services PLC
“Conventional Gas”	the production of gas using vertical wells generally without the need for fracture stimulation to assist flow
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378), as amended
“Directors”	the directors of the Company whose names are set out on page 7 of this document
“Enlarged Issued Share Capital”	the Ordinary Shares in issue immediately following Admission, based upon the assumption that the maximum number of New Ordinary Shares is issued pursuant to the Placing
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the Ordinary Shares in issue on the date of this document
“Form of Proxy”	the form of proxy for use at the General Meeting enclosed

	with this document
“Gaffney Cline Report”	the report prepared by GCA that provides an independent opinion on the Company’s oil and gas licences in Central Europe, published on 15 December 2009
“GCA”	Gaffney, Cline & Associates Limited
“General Meeting”	the General Meeting of the Company to be held at 11 a.m. on 2 December 2010 at the offices of Norton Rose LLP, 3 More London Riverside, London SE1 2AQ, notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries (as that term is defined in section 1159 of the Companies Act 2006)
“Linbury Share Transfer”	the gift of up to 3,000,000 Ordinary Shares by Lord Sainsbury to the Linbury Trust, to be completed following the announcement of the Placing by the Company
“Linbury Trust”	the Linbury Trust, a charitable trust (No. 287077) established by, among others, Lord Sainsbury
“London Stock Exchange”	London Stock Exchange plc
“Lord Sainsbury”	Lord Sainsbury of Preston Candover KG
“New Ordinary Shares” or “Placing Shares”	the new Ordinary Shares to be issued by the Company for cash pursuant to the Placing, which will be up to a maximum of 146,888,231 new Ordinary Shares
“Options”	the options granted to Directors or employees to acquire Ordinary Shares pursuant to the Company’s Unapproved Share Option Scheme
“Orderly Marketing Deeds”	the deeds between each of the Selling Shareholders (other than the Linbury Trust) and the Company and the Bookrunners pursuant to which the Selling Shareholders (other than the Linbury Trust) have undertaken to the Company and the Bookrunners not to dispose of any further Ordinary Shares held by each of them (and their connected persons), or enter into any agreement substantially similar in effect, without the consent of the Bookrunners at any time during the period commencing on the date of such deeds and ending 12 months after Admission
“Ordinary Shares”	the ordinary shares of 5 pence each in the capital of the Company
“Placing”	the proposed placing of the Placing Shares and the Sale Shares
“Placing Price”	57.5 pence per Placing Share or Sale Share
“Reef Oil”	Zechstein oil play in the Company’s Cybinka and Torzym licences adjacent to the recent “BMB” and “Lubiatow” oil

	discoveries
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the notice at the end of this document
“Risky EMV”	Expected Monetary Value, calculated as Economic Chance of Success multiplied by net present value less (1- the economic chance of success) multiplied by Risked Capital, as referred to in the Gaffney Cline Report
“Sale Shares”	the Ordinary Shares (if any) placed by the Company on behalf of the Selling Shareholders
“Selling Shareholders”	Lord Sainsbury, Michael Seymour, Philippa Seymour, Bellerophon Limited (a company connected with Michael Seymour) and (following completion of the Linbury Share Transfer) the Linbury Trust
“Shareholders”	the holders of Ordinary Shares from time to time
“Tight Gas”	the production of gas from reservoirs which generally require horizontal wells and/or fracture stimulation to achieve commercial flow
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Unapproved Share Option Scheme”	the Aurelian Oil & Gas PLC Unapproved Company Share Option Scheme adopted by the Company on 2 December 2002 (as amended on 21 June 2006)
“US Securities Act”	the US Securities Act of 1933, as amended

Unless otherwise indicated, all references in this document to “pounds sterling”, “sterling”, “£”, “pence” or “p” are to the lawful currency of the United Kingdom, and all references in this document to “euros” or “€” are to the lawful currency of the Euro Area (as defined by the European Central Bank).

PART I

Letter from the Chairman

Aurelian Oil & Gas PLC

(Incorporated and registered in England and Wales, with registered no 01685863)

Directors:

John Conlin (*Chairman*)
Rowen Bainbridge (*CEO*)
Mark Reid (*CFO*)
David Prior (*Non-executive Director*)
Michael Seymour (*Non-executive Director*)
Nicholas Coats (*Non-executive Director*)
Dariusz Mioduski / Manoj Madnani (*Non-executive Director and his alternate*)
David Walker (*Non-executive Director*)
John Matthews (*Non-executive Director*)

Registered Office:

6/7 Pollen Street
London
W1S 1NJ

16 November 2010

To Shareholders and, for information only, to holders of Options under the Unapproved Share Option Scheme

Dear Shareholder

Proposed Placing of New Ordinary Shares and Notice of General Meeting

1. Introduction

The Company announced yesterday that it is seeking to raise approximately €95 million (net of expenses) by way of a conditional placing of New Ordinary Shares at the Placing Price, subject to the passing of the Resolutions at the General Meeting which is being convened for 11 a.m. on 2 December 2010. Macquarie Capital (Europe) Limited and Oriel Securities Limited are acting as the joint bookrunners in connection with the Placing.

The purpose of this document is to provide you with information on the Placing, to explain why the Directors believe that the Placing is in the best interests of the Company and the Shareholders as a whole and to seek your approval of the Resolutions to be proposed at the General Meeting.

You will find set out at the end of this document a notice of the General Meeting and a Form of Proxy. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person.

2. Background to the Placing

Further to the Company's Interim Report and recent operational updates, the Company has made significant progress in 2010.

The Company has now identified a 17 well programme targeting approximately €1.7 billion of Risked EMV. Five of these wells are already funded as part of the Company's previously announced exploration and appraisal programme and these wells are targeting a Risked EMV of €1.2 billion.

The Company is now seeking funding to target incremental Risked EMV of €466 million by committing to the drilling of a further 12 wells, establishing two new businesses in its existing core areas and creating two potential new strategic alliances to capture complementary acreage.

3. Use of proceeds

The expected net proceeds of €95 million will be applied to the following projects to take place in 2011 and 2012 and will target a minimum of €466 million of incremental Risked EMV over and above the €1,210 million of Risked EMV already targeted by the Company's previously announced exploration and appraisal programme:

- €22.0 million to drill five exploration wells in existing businesses targeting incremental Risked EMV of €245 million where the chance of success of these wells has been increased as a result of investment in seismic. The Company aims to further exploit the potential of Siekierki, drilling one exploration well in Siekierki South West and another in Siekierki North West. Three wells will also be drilled in the Carpathian Thrust Fold belt (two in Poland, Bieszczady Block and East Karpaty, and one in Romania, Cujeidiu Deep oil);
- €6.0 million to drill two exploration wells targeting incremental Risked EMV of €114 million in a newly established Reef Oil business in the Company's Cybinka and Torzym licences (the Company is operator and 35% interest holder in each licence);
- €3.6 million to drill one workover and one exploration well targeting incremental Risked EMV of €22.0 million in a newly established Carpathian Conventional Gas business in the Company's Karpaty West licence (the Company is operator and 60% interest holder);
- €16.7 million to drill the Trzek-3 appraisal well back to back with the Trzek-2 appraisal well, which is currently drilling, and to bring the Siekierki Tight Gas Project into early production in Q1 2012. This well underpins the €577 million of Risked EMV already attributed to the Siekierki project;
- €26.7 million to develop potential new strategic alliances within the Company's Tight Gas and Carpathian Thrust Fold Belt core areas targeting €85 million of incremental Risked EMV. These strategic alliances will involve the drilling of two exploration wells, seismic and technical studies for future initiatives; and
- €20.0 million for additional seismic and drilling in core areas before the end of 2012. This will fund the Company to extend seismic coverage over its current acreage and provide flexibility to take advantage of new additional opportunities to both increase its acreage position and carry out further exploration drilling.

4. Details of the Placing

Pursuant to the Placing, the Company is proposing to issue up to 146,888,231 New Ordinary Shares of 5 pence each at the Placing Price. The New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Ordinary Shares then in issue, including the right to all dividends and other distributions declared, made or paid after Admission.

The Placing Shares represent approximately 43 per cent. of the issued share capital of the Company as at the date of this document and approximately 30 per cent. of the Enlarged Issued Share Capital. The Placing Price represents a discount of approximately 6.5 per cent. to the closing price of 61.5 pence per Ordinary Share on 12 November 2010, which was the last business day prior to the announcement of the Placing. The Placing will raise €95 million (net of expenses).

The Placing is conditional upon:

- the passing of the Resolutions as set out in the notice convening the General Meeting; and
- Admission.

The Placing is not underwritten.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Subject to, *inter alia*, Admission, it is expected that dealings in the New Ordinary Shares will commence on 3 December 2010.

5. Trading update

On 30 September 2010, the Company released its 2010 Interim Report, including the interim financial statements of the Company for the six month period ended 30 June 2010. Your attention is also drawn to the following announcements made by the Company:

- Bulgaria Exploration Update on 6 October 2010;
- Poland and Bulgaria Operational Update on 19 October 2010; and
- Bulgaria Exploration Update on 5 November 2010.

6. Selling Shareholders

In addition to the New Ordinary Shares which are being issued as part of the Placing, the Selling Shareholders are planning to dispose of approximately 23,480,359 Sale Shares.

These disposals will be conducted by the Company on behalf of the Selling Shareholders in conjunction with the Placing. The total number of Ordinary Shares to be sold by the Selling Shareholders will be determined by the Company in consultation with the Bookrunners.

7. Orderly marketing arrangements

In relation to paragraph 6 above, Lord Sainsbury, Michael Seymour, Philippa Seymour and Bellerophon Limited have each entered into an Orderly Marketing Deed.

The Seymour Charitable Foundation, a charitable trust connected to Michael Seymour, currently holds 463,697 shares and will not be subject to an Orderly Marketing Deed as it is prevented from entering into, or being subject to, such agreements by its constitution. The Company understands from discussions with Michael Seymour that The Seymour Charitable Foundation envisages a transfer of 100,000 shares to Philippa Seymour within the next 12 months. Once this transfer has been completed, these shares will be subject to the Orderly Marketing Deed entered into by Philippa Seymour. Michael Seymour has advised that The Seymour Charitable Foundation is not expected to dispose of any other stock in the 12 month period after Admission.

8. Notice of General Meeting

A notice is set out at the end of this document convening a General Meeting of the Company to be held at 11 a.m. on 2 December 2010 at the offices of Norton Rose LLP, 3 More London Riverside, London SE1 2AQ. At the General Meeting, the Resolutions will be proposed as follows:

Resolution 1 - Authority to allot shares

Resolution 1, which will be proposed as an ordinary resolution, and will be conditional on the passing of Resolution 2 below, authorises the Directors to allot shares in connection with the Placing up to an aggregate

nominal amount of £7,344,411.55, being the maximum aggregate nominal amount of the Placing Shares.

In addition to the authority to allot shares in connection with the Placing, Resolution 1 (pursuant to paragraph (b)) authorises the Directors to allot shares up to an aggregate nominal amount of £8,109,725, which is approximately one third of the issued share capital of the Company following the Placing, assuming that the maximum number of New Ordinary Shares (i.e. 146,888,231) are issued pursuant to the Placing.

Upon the passing of Resolution 1, the Directors will also have authority (pursuant to paragraph (c) of Resolution 1) to allot Ordinary Shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount of £16,219,450, which is approximately two thirds of the issued share capital of the Company following the Placing, assuming that the maximum number of Ordinary Shares (i.e. 146,888,231) are issued pursuant to the Placing.

By way of clarification, to the extent that the number of New Ordinary Shares issued pursuant to the Placing is less than the maximum number of New Ordinary Shares that may be issued (i.e. 146,888,231), the Directors will only use such authorities contained in paragraphs (b) and (c) of Resolution 1 so as to allot further New Ordinary Shares up to an amount equal to one third or two thirds respectively of the actual amount of the issued ordinary share capital of the Company as enlarged by the Placing.

Resolution 2 - To dis-apply pre-emption rights

Resolution 2, which will be proposed as a special resolution, and will be conditional on the passing of Resolution 1 above, allows the Directors to allot equity securities on a non-pre-emptive basis, which is limited to:

- (a) the issue and allotment of up to an aggregate nominal amount of £7,344,411.55, being the maximum aggregate nominal amount of the Placing Shares;
- (b) allotments pursuant to offers of shares to existing Shareholders in proportion to their existing holdings subject only to exclusions to deal with fractional entitlements and legal or practical problems in connection with overseas territories; and
- (c) a nominal value of £2,432,918, representing 10 per cent. of the issued share capital of the Company following the Placing, assuming that the maximum number of Ordinary Shares (i.e. 146,888,231) is issued pursuant to the Placing.

By way of clarification, to the extent that the number of New Ordinary Shares issued pursuant to the Placing is less than the maximum number of New Ordinary Shares that may be issued (i.e. 146,888,231), the Directors will only allot equity securities on a non-pre-emptive basis up to an amount equal to 10 per cent. of the actual amount of the issued ordinary share capital of the Company as enlarged by the Placing.

9. Additional information

Your attention is drawn to the additional information about the Company set out in Part II of this document.

In addition, copies of the following documents are available on the Company's website at <http://www.aurelianoil.com>:

- (a) the investor presentation to be given by the Company to existing and new investors from the date of this document;
- (b) the 2010 Interim Report, including the interim financial statements of the Company for the six month period ended 30 June 2010;
- (c) the 2009 Annual Report, including the financial statements of the Company for the 12-month period ended 31 December 2009; and

(d) the Gaffney Cline Report.

10. Action to be taken

A Form of Proxy is enclosed for use at the General Meeting. You are requested to complete and return this Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, the completed Forms of Proxy must be received by the Company's registrars, Computershare, not later than 11 a.m. on 30 November 2010, being 48 hours before the time appointed for holding the General Meeting. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may appoint a proxy electronically by following the instructions set out in Note 7 on page 16 so that it is received by the Company's registrars by no later than 11 a.m. on 30 November 2010. The time of receipt of the electronic appointment of a proxy will be taken to be the time at which the Company's registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The completion and return of a Form of Proxy or completing and transmitting the electronic appointment of a proxy will not preclude you from attending and voting at the General Meeting in person if you so wish.

11. Recommendation

The Directors consider the Placing and the passing of the Resolutions to be in the best interests of the Company and its Shareholders as a whole and accordingly they unanimously recommend that you vote in favour of the Resolutions as those Directors who are also Shareholders intend to do so in respect of the holdings of Ordinary Shares in which they are interested and which, in aggregate, amount to 87,059,829 Ordinary Shares, representing approximately 26 per cent. of the Existing Ordinary Shares.

Yours sincerely,

John Conlin
Chairman

PART II Additional Information

1. Responsibility statement

The Directors, whose names and functions appear on page 7 of this document, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share capital

- (a) The issued share capital of the Company as at the date of this document is as follows:

<i>Issued</i>		
<i>Number</i>	<i>Nominal amount</i>	<i>Class of share</i>
339,695,249	£16,984,762	Ordinary Shares

- (b) The issued share capital of the Company as it is expected to be following the passing of the Resolutions at the General Meeting and the issue of New Ordinary Shares pursuant to the Placing would be as follows:

<i>Issued</i>		
<i>Number</i>	<i>Nominal amount</i>	<i>Class of share</i>
486,583,480	£24,329,174	Ordinary Shares

Note:

1. Based on the assumption that the maximum number of Ordinary Shares (i.e. 146,888,231) is issued pursuant to the Placing.

3. Directors' and other interests

- (a) The interests (all of which are beneficial unless stated otherwise) of the Directors and their immediate families and the persons connected with them (within the meaning of section 252 of the Companies Act 2006) which have been notified to the Company in the issued and to be issued share capital of the Company are as follows:

<i>Director</i>	<i>Prior to Placing</i>	
	<i>Total number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
John Conlin	50,000	0.01%
Rowen Bainbridge	383,125	0.11%
Mark Reid	203,125	0.06%
David Prior	2,381,345	0.70%
Michael Seymour ⁽¹⁾	5,607,387	1.65%
Nicholas Coats ⁽²⁾	43,990,958	12.95%
Dariusz Mioduski ⁽³⁾	34,272,014	10.09%

Manoj Madnani ⁽⁴⁾	34,365,764	10.12%
David Walker	78,125	0.02%

Notes:

- (1) Michael Seymour's interests include non-beneficial interests in 463,697 Ordinary Shares held as trustee for a charitable trust
- (2) Nicholas Coats' interests include a non-beneficial interest in 43,960,718 Ordinary Shares held by Lord Sainsbury of Preston Candover KG who exercised his right to propose the appointment of Mr Coats as a director under the terms of an agreement between him and the Company
- (3) Dariusz Mioduski's interests are non-beneficial and jointly held with Manoj Madnani and consist of Ordinary shares held by Kulczyk Investment S.A., a company of which he is the CEO
- (4) Manoj Madnani's interests include a non-beneficial interest jointly held with Dariusz Mioduski in 34,272,014 Ordinary Shares held by Kulczyk Investment S.A., a company of which he is a Managing Director

In addition to the interests disclosed above, the following Directors hold Options to acquire Ordinary Shares, full details of which are as follows:

<i>Director</i>	<i>Date of grant</i>	<i>Number of Options</i>	<i>Exercise Price</i>	<i>Exercise date (Earliest)</i>	<i>Exercise date (Latest)</i>
Michael Seymour	7 April 2006	188,045	46.0p	8 April 2009	7 April 2011
	7 April 2006	211,955	55.0p	8 April 2009	7 April 2011
	16 October 2006	150,000	55.0p	17 October 2009	16 October 2011
	30 September 2009	100,000	16.5p	29 September 2012	29 September 2014
David Prior	7 April 2006	100,000	55.0p	8 April 2009	7 April 2011
Rowen Bainbridge	8 July 2009	1,285,714	14.0p	9 July 2012	7 July 2014
Mark Reid	16 September 2009	888,888	18.0p	29 September 2012	29 September 2014

Save as disclosed above, at the date of this document, no Director has any interest, beneficial or otherwise, in the share capital of the Company or any of its subsidiaries.

- (b) Save as disclosed in paragraph 3(a), the Company is aware of the following persons who, at the date of this document, directly or indirectly, jointly or severally, hold three per cent. or more of the issued share capital of the Company:

<i>Shareholder</i>	<i>As at the date of this document</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Toscafund Asset Management and Toscafund Global	47,120,796	13.87%
Lord Sainsbury of Preston Candover KG	43,960,718	12.94%
Kulczyk Investments S.A.	34,272,014	10.09%
Fidelity International Limited	33,059,996	9.73%
Ingalls & Snyder	19,254,500	5.67%

Dated 16 November 2010

Aurelian Oil & Gas PLC

(Incorporated and registered in England and Wales with registered number 01685863)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Aurelian Oil & Gas PLC (the **Company**) will be held at Norton Rose LLP, 3 More London Riverside, London SE1 2AQ at 11 a.m. on 2 December 2010 for the purposes of considering and, if thought fit, passing the following resolutions with or without modification and of which resolution 1 below will be proposed as an ordinary resolution of the Company and resolution 2 will be proposed as a special resolution of the Company.

Ordinary resolution

1. That, subject to the passing of resolution 2 below and in substitution for all subsisting authorities to the extent unused, the directors of the Company (the **Directors**) be and they are hereby generally and unconditionally authorised in accordance with section 551 Companies Act 2006 (**CA 2006**) to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company:
 - (a) up to an aggregate nominal amount of £7,344,411.55, being the maximum aggregate nominal amount of the Placing Shares (as such term is defined in the Company's circular to shareholders dated 16 November 2010 (the **Circular**)) in connection with the Placing (as defined in the Circular);
 - (b) up to a further aggregate nominal amount of £8,109,725 (such amount to be reduced by the nominal amount of any equity securities (as defined in section 560 CA 2006) allotted or granted under paragraph (c) of this resolution in excess of £8,109,725); and
 - (c) comprising equity securities (as defined in section 560 CA 2006) up to an aggregate nominal amount of £16,219,450 (such amount to be reduced by any shares allotted or rights granted under paragraph (b) of this resolution) 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, if the Directors consider it necessary, as permitted by the rights of those securities,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider 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 the requirements of any regulatory body or stock exchange or any other matter (including any such problems arising by virtue of equity securities being represented by depositary receipts).

The authorities conferred on the Directors under paragraphs (a), (b) and (c) above shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution 1 or 30 June 2011, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for, or to convert any security into, shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for, or to convert any security into, shares (as the case may be) in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special resolution

2. That, subject to the passing of resolution 1 above and in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby empowered pursuant to section 570 and

section 573 CA 2006 to allot equity securities (within the meaning of section 560 CA 2006) for cash pursuant to the authority conferred by resolution 1, as if section 561 CA 2006 did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities of up to an aggregate nominal value of £7,344,411.55, being the maximum aggregate nominal amount of the Placing Shares in connection with the Placing as described in the Circular;
- (b) the allotment of equity securities in connection with an issue or offering in favour of holders of equity securities and other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are in proportion (as nearly as may be practicable) to their existing holdings and to holders of other equity securities as required by the rights of those securities or if the Directors consider it necessary, as permitted by the rights of those securities, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter (including any such problems arising by virtue of equity securities being represented by depositary receipts); and
- (c) the allotment (otherwise than under paragraphs (a) and (b) of this resolution 2) of equity securities up to an aggregate nominal amount of £2,432,918,

and this resolution 2 shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution 2 or 30 June 2011, whichever is the earlier, except 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.

By Order of the Board of Directors

Raymond G. Godson
Company Secretary
16 November 2010

Notes

- 1) Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact the Company Secretary at Aurelian Oil & Gas PLC on +44 (0)207 629 7986.
- 2) To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the offices of the Company's registrars, Computershare, no later than 11 a.m. on 30 November 2010.
- 3) The return of a completed proxy form will not prevent a shareholder attending the general meeting and voting in person if he/she wishes to do so.
- 4) 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 to Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. 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 Computershare no later than 6 p.m. on the date which is immediately preceding the date of 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.

If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

- 5) Any person to whom this notice is sent who is a person nominated under section 146 of the CA 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- 6) The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
- 7) To be entitled to attend and vote at the general meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6 p.m. on 30 November 2010 (or, in the event of any adjournment, 6 p.m. on the date which is 48 hours before the time of the adjourned meeting). 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.
- 8) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting to be held on 2 December 2010 and any adjournment(s) thereof by using 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. In order for a proxy appointment or instruction 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 specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. 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 Company's registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the appointee by other means. CREST members and, where applicable,

their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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. 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.

- 9) 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, if it is appointing more than one corporate representative, it does not do so in relation to the same shares.