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If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The distribution of this document and/or the accompanying Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Directors, whose names appear on page 2 of this document, and the Company accept responsibility, collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have each 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.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission and dealings in the Placing Shares will commence on 19 October 2010.

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 UK 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. The London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

This document is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the FSA, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.

President Petroleum Company PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered no. 5104249)

Proposed Placing of 63,291,140 new Ordinary Shares at 50 pence per share and Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 6 to 13 of this document and which recommends you to vote in favour of the Resolution to be proposed at the General Meeting which is referred to below.

Evolution Securities Limited, which is authorised and regulated in the United Kingdom by the FSA, is acting as nominated adviser and joint bookrunner to the Company in connection with the matters described in this document. Persons receiving this document should note that Evolution Securities Limited will not be responsible to anyone other than the Company for providing the protections afforded to clients of Evolution Securities Limited or for advising any other person on the arrangements described in this document. Evolution Securities Limited has not authorised the contents of or any part of, this document and no liability whatsoever is accepted by Evolution Securities Limited for the accuracy of any information or opinions contained in this document or for the omission of any information.

RBS Hoare Govett Limited, which is authorised and regulated in the United Kingdom by the FSA, is acting as joint bookrunner to the Company in connection with the matters described in this document. Persons receiving this document should note that RBS Hoare Govett Limited will not be responsible to anyone other than the Company for providing the protections afforded to clients of RBS Hoare Govett Limited or for advising any other person on the arrangements described in this document. RBS Hoare Govett Limited has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by RBS Hoare Govett Limited for the accuracy of any information or opinions contained in this document or for the omission of any information.

The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan nor has any prospectus in relation to the Placing Shares been lodged with or registered by the Australian Securities and Investments Commission. Accordingly, subject to certain exceptions, the Placing Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into or from the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or any other jurisdiction where to do so would violate the securities laws or regulations of that jurisdiction. This document is directed and issued only to the Shareholders of the Company and their representatives and shall not be distributed to or used by any other person. Overseas Shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Notice of a General Meeting of President Petroleum Company PLC, to be held at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG at 11.00 a.m. on 18 October 2010, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZL by not later than 11.00 a.m. on 16 October 2010. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Stephen Gutteridge (<i>Chairman</i>) Angelo Karunalingam Baskaran (<i>Finance Director</i>) Dr. Michael David Cochran (<i>Exploration Director</i>) John Andrew Hamilton (<i>Non-Executive Director</i>) David Christopher Wake-Walker (<i>Non-Executive Director</i>) All of whose business address is at 13 Regent Street, London SW1Y 4LR
Company secretary	David Christopher Wake-Walker
Registered and head office	13 Regent Street London SW1Y 4LR
Nominated Adviser and Joint Bookrunner	Evolution Securities Limited 100 Wood Street London EC2V 7AN
Joint Bookrunner	RBS Hoare Govett Limited 250 Bishopsgate London EC2M 4AA
Solicitors to the Company	Field Fisher Waterhouse LLP 35 Vine Street London EC3N 2AA
Solicitors to the Joint Bookrunners	Osborne Clarke One London Wall London EC2Y 5EB
Registrars	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

PLACING STATISTICS

Placing Price	50 p
Number of Existing Ordinary Shares	45,446,492
Number of Placing Shares	63,291,140
Estimated net proceeds of the Placing	£30.2 million
Number of Ordinary Shares in issue following Admission	108,737,632
Number of Placing Shares as a percentage of the Enlarged Share Capital	58.2 per cent.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	30 September 2010
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 16 October 2010
General Meeting	11.00 a.m. on 18 October 2010
Admission and dealings in the Placing Shares expected to commence on AIM	8.00 a.m. on 19 October 2010
Expected date for CREST stock accounts to be credited for Placing Shares in uncertificated form	19 October 2010
Expected date for posting of share certificates for Placing Shares in certificated form	by 2 November 2010

(1) *The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this document may be adjusted by President Petroleum in which event details of the new dates will be notified via a Regulatory Information Service.*

(2) *All references to time in this document are to London time.*

EXCHANGE RATES

In the document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom and references to "US dollars", "\$" and "cents" are to the lawful currency of United States of America. Unless otherwise stated, the basis of translation of pounds sterling into US dollars for the purposes of inclusion in this document is US\$1.58/£1.00.

DEFINITIONS

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

"Act"	the Companies Act 2006 (as amended)
"Admission"	admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies as published by the London Stock Exchange from time to time
"bcf"	billion cubic feet of gas
"boe/d"	barrels of oil equivalent per day
"Company" or "President Petroleum"	President Petroleum Company PLC
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited
"Directors" or "Board"	the directors of the Company whose names are set out on page 2 of this document, or any duly authorised committee thereof
"D-O-R"	D-O-R Engineering, Inc.
"Enlarged Share Capital"	the issued ordinary share capital of the Company immediately following Admission
"Evolution Securities"	Evolution Securities Limited, the Company's nominated adviser and Joint Bookrunner
"Existing Ordinary Shares"	the 45,446,492 Ordinary Shares in issue at the date of this document
"Form of Proxy"	the form of proxy for use in connection with the General Meeting which accompanies this document
"FSA"	the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
"FSMA"	the Financial Services and Markets Act of 2000 (as amended)
"General Meeting"	the general meeting of the Company to be held on 18 October 2010, notice of which is set out at the end of this document
"Global Incentive Plan" or "GIP"	the President Petroleum Global Incentive Plan adopted by the Board on 28 June 2010
"Group"	the Company, its subsidiaries and its subsidiary undertakings
"Joint Bookrunners"	together, Evolution Securities and RBS Hoare Govett
"km"	kilometres
"km ² "	square kilometres
"LCM"	Levine Capital Management Limited, a company registered in the British Virgin Islands

"LCM Placing Shares"	the Placing Shares conditionally subscribed for by LCM
"London Stock Exchange"	London Stock Exchange plc
"mbbls"	thousand barrels
"mcf"	thousand cubic feet of gas
"mmbbls"	million barrels
"mmboe"	million barrels of oil equivalent
"mmcfd"	million cubic feet of gas per day
"Notice of General Meeting"	the notice convening the General Meeting which is set out at the end of this document
"NPV10"	net present value at a discount rate of 10 per cent.
"Options"	options to acquire Ordinary Shares pursuant to the Global Incentive Plan
"Ordinary Shares"	ordinary shares of 1 pence each in the capital of the Company
"Placing"	the conditional placing of the Placing Shares at the Placing Price by the Joint Bookrunners as agents for and on behalf of the Company pursuant to the terms of the Placing Agreement
"Placing Agreement"	the agreement dated 30 September 2010 between (i) the Company; (ii) Evolution Securities; and (iii) RBS Hoare Govett relating to the Placing, further details of which are set out in this document
"Placing Price"	50 pence per Placing Share
"Placing Shares"	the 63,291,140 new Ordinary Shares each to be issued in connection with the Placing
"Prospectus Rules"	the rules made by the FSA under Part VI of FSMA in relation to the offer of transferable securities to the public and admission of transferable securities to trading on a regulated market
"RBS Hoare Govett"	RBS Hoare Govett Limited, the Company's Joint Bookrunner
"Related Parties"	John Hamilton and Michael Cochran (both Directors) and Christopher Hopkinson (a former director of the Company)
"Resolution"	the resolution set out in the Notice of General Meeting
"Shareholders"	holders of Ordinary Shares
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "USA"	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction

Letter from the Chairman of President Petroleum

PRESIDENT PETROLEUM COMPANY PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered no. 5104249)

Directors:

Stephen Gutteridge (*Chairman*)
Angelo Karunalingam Baskaran (*Finance Director*)
Dr. Michael David Cochran (*Exploration Director*)
John Andrew Hamilton (*Non-Executive Director*)
David Christopher Wake-Walker (*Non-Executive Director*)

Registered office:
13 Regent Street
London SW1Y 4LR

30 September 2010

Dear Shareholder,

**Proposed Placing of 63,291,140 new Ordinary Shares at 50 pence per share
and
Notice of General Meeting**

1. Introduction

The Board announced earlier today that it proposes to raise £31.6 million (approximately US\$50.0 million and £30.2 million net of expenses) by way of a conditional placing of 63,291,140 new Ordinary Shares at a price of 50 pence per share. The Placing is conditional, *inter alia*, upon the Company obtaining approval from its Shareholders pursuant to the Resolution to grant the Board authority to allot the Placing Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment of the Placing Shares. The Placing, which has been underwritten pursuant to the terms of the Placing Agreement by Evolution Securities and RBS Hoare Govett (save in respect of the LCM Placing Shares), is also conditional upon Admission.

The purpose of this document is to provide you with information about the background to and the reasons for the Placing and to explain why the Board considers the Placing to be in the best interests of the Company and its Shareholders as a whole.

The Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting, notice of which is set out at the end of this document. Shareholders (which include the Directors and LCM) have irrevocably undertaken to vote or procure to vote in favour of the Resolution to be proposed at the General Meeting in respect of 14,367,393 Existing Ordinary Shares, in aggregate, representing approximately 31.6 per cent. of the existing issued ordinary share capital of the Company.

2. Information on President Petroleum

President Petroleum is an oil and gas exploration and production company with onshore producing assets and exploration licences in Louisiana, USA, and onshore exploration licences in South Australia. The Company is committed to substantial growth through a twin track strategy of acquisition of new oil and gas assets and the organic development of the Group's existing assets, with a view to creating a mid-cap exploration and production company with critical mass and a strategic presence in its key areas of interest.

Further information on, *inter alia*, President Petroleum's existing strategy, current assets, financial reports and reserves and resources can be found on the Company's website: www.presidentpc.com.

3. Background to and reasons for the Placing

In November 2009, President Petroleum was restructured in conjunction with a placing and open offer in which Levine Capital Management Limited became a strategic investor, holding approximately 29.9 per cent. of the Existing Ordinary Shares in conjunction with the Related Parties. LCM is the private investment fund of Peter Levine, founder and former Chairman of Imperial Energy Corporation PLC, the Russia-focused oil exploration and production company, which was acquired by the Indian state-owned energy firm, Oil and Natural Gas Corporation Limited, for approximately US\$2 billion in January 2009.

Alongside LCM, other major UK institutions invested in the Company in November 2009 and the Board and the Group's management were strengthened. The Board established the target of achieving mid-cap status through a twin track strategy of growth through the organic development of the Group's existing assets together with acquisitions of oil and gas assets. Growth through acquisitions of both a "bolt-on" and transformational nature remains a key aspect of the Board's strategy. In recent months, the most significant progress has been in developing a new major exploration prospect in Louisiana and advancing drilling plans in South Australia.

Louisiana

The Group has been an operator and producer in Louisiana since the acquisition of interests in the East Lake Verret ("ELV") field in 2008. Louisiana is the Company's current cash generator, with further low-cost production and reserves added in the first half of 2010. Louisiana is a mature oil and gas producing area, with easy access to infrastructure, skills and suppliers and where new discoveries are able to be monetised quickly. Over the past year, President Petroleum has been working with local geoscientists who have access to 3D seismic data to identify substantial additional exploration opportunities in the deeper Planulina and Cristellaria R sands, which are within the broad area of the Company's existing operations at ELV. The Board believes this work programme has de-risked the drilling of these deeper sands. A leasing programme has been completed, adding 400 acres of rights to these deeper prospects, together with an option to acquire a further 498 acres for minimal cost. An Independent Competent Person's Report by D-O-R has confirmed the possible net reserves covered by the leases as 61 bcf of natural gas and 660 mmbbls of oil, equivalent to 10.8 mmboe, which is 10 times the Company's current proved reserves. D-O-R valued these reserves at US\$265 million on a NPV10 basis.

The first well to assess these reserves, the Kafoury 3 well, is expected to spud in November 2010 with results expected before the end of the year. If successful, production is anticipated to commence in the first quarter of 2011 with a further four wells anticipated to be drilled in 2011 and a further two wells initially planned for 2012. At least one of these wells will target the shallower D sands, which are already substantial producers in the ELV field. The deeper Planulina and Cristellaria R sands are also substantial producers in neighbouring fields and, based on actual well data from these fields, production rates of three to six mmcf/d per well net to President Petroleum are possible. Based on the flow rates of these neighbouring wells and in the event of a successful drilling campaign, total net production of over 18 mmcf/d (approximately 3,000 boe/d) could be achieved by the end of 2011. This compares with the Company's current net production of 200 boe/d.

As announced today, Axxis Drilling has been contracted to drill the Kafoury 3 exploration well at ELV. The well is planned to test the extension of the known shallow field pays of the Siphonina Davisi and Margulina D-1 sands and to penetrate the deeper Planulina and Cristellaria R sands, which are also substantial producers in neighbouring fields. The possible gross reserves attributable to the prospect are 110 bcf of gas and 1.2 mmbbls of oil, of which around 85 per cent. is located in the deeper sands. The Company expects to have a net revenue interest of approximately 55 per cent. in these deeper sands whilst the interests in the shallower sands have not yet been finalised. The Kafoury 3 well is estimated to cost US\$5.5 million to drill, with completion costs, including a new pipeline, of a further US\$3.3 million. 2011 capital expenditure for the additional four wells is estimated at US\$21 million. Production costs are very low in Louisiana at around US\$0.5 per mcf. With approximately 75 per cent. of drilling costs potentially allowable against federal tax, the Directors expect strong cash generation from this drilling programme with a payback of the development costs of each successful well within approximately 12 months.

In addition to the plans for the Kafoury 3 well and its subsequent development, the Company will continue to invest in the low cost, low risk drilling and development of proven undeveloped ("PUD") and behind pipe reserves at its existing fields. Expenditure on these over the next 18 months is expected to be approximately US\$1.6 million, with two wells already scheduled for the fourth quarter of 2010.

South Australia

The PEL 82 exploration licence ("PEL 82") (wholly owned by President Petroleum) is an onshore coastal licence in the Otway Basin in South Australia. The Otway Basin has generated significant offshore production in the neighbouring state of Victoria, where the primary producing sands are the Flaxman and Waarre sands. Over the past few years, detailed studies by President Petroleum's consulting geoscientists have built up a persuasive case that there are good prospects for significant hydrocarbon discoveries in these sands onshore within PEL 82.

In early 2009, President Petroleum recorded and processed 88 km² of 3D seismic data to define drill targets, a significant investment for the Company. Interpretation of the 3D data confirmed the substantial prospective resources in the Flaxman and Waarre sands and identified ten target traps. Total prospective resources in these traps were assessed as 133 mmbbls of oil or 186 bcf of gas. Access to the main interstate gas pipeline system is possible via Mount Gambier just 25 km away whilst oil could be exported from the deepwater port at Portland, 100 km away.

Two additional large structural closures have been identified in the northern part of the licence outside the area covered by the 3D seismic survey. Total prospective resources in these structural closures are assessed as 300 mmbbls. An additional seismic survey will be required to locate drilling targets on these structures.

Three well locations have been identified where both the Flaxman and the underlying Waarre sands can be tested from a single well. The first exploration well, Northumberland 2, is targeted at the largest prospect of 40 mmbbls oil or 54 bcf gas and is expected to spud in the first quarter of 2011. The Company's drilling contract provides President Petroleum with an option to drill two further wells in addition to Northumberland 2.

The PEL 82 exploration licence expires in four years and the Company plans a comprehensive exploration programme over that period. The initial well will be comparatively expensive at US\$7.5 million as a result of higher mobilisation and demobilisation costs to relocate the drilling rig to PEL 82 from the Cooper Basin. Additional wells are estimated to cost US\$5.0 million per well and a further seismic survey will cost up to US\$3.0 million. The main risk on the Northumberland 2 well is inadequate sealing although any indication of hydrocarbons will be very encouraging and provide a solid case for drilling a second exploration well in mid-2011. The northern closures are structurally similar and, depending on the results of the additional seismic survey, further drilling in 2012 is possible.

The independent competent person's report by D-O-R Engineering, Inc., dated 27 June 2010, the prospectivity summary report on PEL 82 with the extracts from the results of the 3D seismic survey and operational updates can be found on the Company's website, www.presidentpc.com.

Outlook

Success in any of the drilling and development plans for Louisiana or South Australia would be transformational for President Petroleum. As a combined programme running in parallel, they provide a balanced opportunity with the substantially derisked and quickly monetised 10.8 mmbbl target in Louisiana potentially elevating the Company to sizeable production levels and the much larger prospects in South Australia potentially delivering a material reserve and resource base.

The Board, fully supported by its largest shareholder, LCM, believes that by completing the Placing, the Company will be able to sustain a rapid pace of development, maintain flexibility and maximise the potential of its assets. The Board also wishes to maintain its position of being able to acquire further oil and gas assets if attractive opportunities become available.

4. Use of proceeds

The net proceeds of the Placing, together with existing cash, will be used to fund two high impact wells planned in the next six months, in addition to the contingent follow-up and development drilling of the Company's existing assets in Louisiana and South Australia during the fourth quarter of 2010 and throughout 2011. US\$31.4 million shall be allocated for Louisiana, of which US\$10.4 million is committed, and US\$15.5 million shall be allocated for South Australia, of which US\$7.5 million is committed.

<i>Source of funds^{1,2}:</i>		<i>US\$ million</i>
Cash (as at 30 June 2010)		4.0
Net proceeds from the Placing		47.7
Total		<u>51.7</u>
<i>Use of funds:</i>	<i>Timing</i>	
<u>Committed</u>		
Louisiana Kafoury 3 well	Q4 2010	5.5
Completion of Kafoury 3 well – deep zones	Q1 2011	3.3
Drilling PUDs onshore Louisiana	Q4 2010	1.6
Australia Northumberland 2 well	Q1 2011	7.5
Committed subtotal		<u>17.9</u>
<u>Contingent³</u>		
Louisiana Kafoury 4 shallow well / completion	H1 2011	3.0
Additional Kafoury deep wells / completions	2011	18.0
Australia second PEL 82 well	Q2 2011	5.0
Australia additional 3D seismic survey	Q4 2011	3.0
Contingent subtotal		<u>29.0</u>
Headroom		4.8
Total		<u>51.7</u>

Notes:

1. The Company also has a bank loan of US\$3.0 million outstanding with Macquarie Bank Limited, which is repayable in June 2011.
2. Cash flows resulting from any successful wells drilled by the Company are not included in the source of funds.
3. Implementation of the contingent work plan is subject to the outcome of the Kafoury 3 and Northumberland 2 high impact wells.

5. The Placing

The Company proposes to raise gross proceeds of £31.6 million, (approximately US\$50.0 million and £30.2 million net of expenses) through the issue of the Placing Shares at the Placing Price. The Placing Price represents a discount of 17.7 per cent. to the closing middle market price of 60.75 pence per Ordinary Share on 29 September 2010, being the last practicable date prior to the publication of this document. The Placing Shares will represent approximately 58.2 per cent. of the Company's issued ordinary share capital immediately following Admission.

Pursuant to the terms of the Placing Agreement, Evolution Securities and RBS Hoare Govett have conditionally agreed to use their reasonable endeavours, as agents for the Company, to place the Placing Shares at the Placing Price with certain institutional and other investors or, failing which, subscribe for such shares (excluding the LCM Placing Shares) themselves on an equal basis. The Placing Agreement is conditional upon, *inter alia*, the Resolution being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 19 October 2010 (or such later time and/or date as the Company and the Joint Bookrunners may agree, but in any event by no later than 8.00 a.m. on 31 October 2010).

The Placing Agreement contains warranties from the Company in favour of the Joint Bookrunners in relation to, *inter alia*, the accuracy of the information contained in this document and certain other matters relating to the Group and its business. In addition, the Company has agreed to indemnify the Joint Bookrunners in relation to certain liabilities they may incur in respect of the Placing. The Joint Bookrunners each independently have the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, *for force majeure* or in the event of a material breach of the warranties set out in the Placing Agreement.

Expenses

Under the Placing Agreement and subject to it becoming unconditional in all respects and not being terminated in accordance with its terms, the Company has agreed to pay the Joint Bookrunners an aggregate commission of 4.0 per cent. on the gross proceeds of the Placing, other than in relation to the LCM Placing Shares, together with all reasonable expenses and any applicable value added tax.

Total expenses payable to the Joint Bookrunners, LCM and other advisers are expected to total £1.4 million.

Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that such Admission will become effective and that dealings will commence at 8.00 a.m. on 19 October 2010.

The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared following Admission. It is expected that CREST accounts will be credited on the day of Admission and that share certificates (where applicable) will be dispatched by first class post, at the risk of Shareholders, by 2 November 2010.

Directors' shareholdings

John Hamilton has agreed to subscribe for 100,000 Placing Shares at the Placing Price, such shares to be subscribed for in the name of LCM.

Immediately after Admission, it is expected that the Directors will have the following beneficial shareholdings:

<i>Director</i>	<i>Total no. of Ordinary Shares held following Admission</i>	<i>Percentage of the Enlarged Share Capital immediately following Admission</i>
Stephen Gutteridge	498,392	0.46
Angelo Baskaran	106,250	0.10
Michael Cochran	100,000	0.09
John Hamilton	300,000	0.28
David Wake-Walker	128,804	0.12

6. Levine Capital Management Limited

LCM and the Related Parties, who the UK Panel on Takeovers and Mergers has deemed to be acting in concert with LCM for the purpose of the City Code on Takeovers and Mergers, currently hold 13,633,947 Existing Ordinary Shares in aggregate, representing approximately 29.9 per cent. of the Company's Existing Ordinary Shares. LCM has irrevocably agreed to subscribe for 18,896,342 Placing Shares pursuant to the Placing which, together with the Placing Shares subscribed for by John Hamilton and the Options conditionally granted today to Michael Cochran, will result in LCM and the Related Parties maintaining their 29.9 per cent. holding in the capital of the Company.

The subscription by LCM in the Placing is classified as a related party transaction under the AIM Rules. Accordingly, the Directors, excluding John Hamilton and Michael Cochran, consider, having consulted with Evolution Securities, the Company's nominated adviser, that the terms of the participation are fair and reasonable insofar as Shareholders are concerned.

7. Irrevocable undertakings

Shareholders (which include the Directors and LCM) have irrevocably undertaken to vote or procure to vote in favour of the Resolution to be proposed at the General Meeting in respect of 14,367,393 Existing Ordinary Shares, in aggregate, representing approximately 31.6 per cent. of the existing issued ordinary share capital of the Company.

8. Global Incentive Plan

The Directors believe that the success of the Company will depend to a significant degree on the future performance of the management team and that the Company will be better able to recruit, retain and motivate its executive Directors and senior management through the grant of awards pursuant to the Global Incentive Plan, which was adopted by the Board on 28 June 2010.

The Remuneration Committee of the Board has been delegated responsibility for determining the nature of granting individual awards under the Global Incentive Plan. The following Options have today been granted, conditional upon Admission, to the Directors and senior management set out below:

<i>Employee</i>	<i>Number of Options to be granted under the GIP</i>
Stephen Gutteridge	425,000
Michael Cochran	130,000
Angelo Baskaran	180,000
Senior management	440,000
Total	1,175,000

Subject to satisfaction of any performance conditions, the Options will be exercisable at the Placing Price at any time commencing on the third anniversary of the date of grant and expiring on the day before the tenth anniversary of the date of grant.

Other than the Options referred to in this paragraph 8, there are no other outstanding options over the Company's Ordinary Shares.

9. Current trading and prospects

The Company's interim results for the six month period ended 30 June 2010 were also announced earlier today. In those results, the Chairman made the following statement:

"The first half of 2010 has been a very active period for President Petroleum with over US\$5 million invested in acquisition and development activity. This commitment has continued into the second half of the year with further acreage acquisitions in Louisiana, and the confirmation of at least two significant wells to be spudded within the next few months.

This increased activity has created significant prospects for the Group and is a direct result of the restructuring of the Group in November 2009, and the substantial financial and resource support provided by the Group's largest shareholder, Levine Capital Management."

Please see the separate interim results announcement for further details, which is available on President Petroleum's website: www.presidentpc.com.

10. Working capital

In the opinion of the Directors and taking into account the net proceeds of the Placing, the working capital available to the Group will be sufficient for the Group's present requirements, that is for at least 12 months following Admission.

11. RBS Hoare Govett

President Petroleum also announced today that RBS Hoare Govett has been appointed joint financial adviser and joint broker to the Company, in conjunction with Evolution Securities.

12. General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held on 18 October 2010 at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG, at 11.00 a.m., at which the Resolution will be proposed by way of a special resolution to:

- (a) grant authority to the Directors to allot up to 99,537,017 new Ordinary Shares in the capital of the Company or to grant rights to subscribe for or convert any security into shares in the capital of the Company pursuant to section 551 of the Act, being up to an aggregate nominal amount of £995,370.17, representing the Placing Shares plus a further one third of the Enlarged Share Capital. The authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2011; and

- (b) disapply the statutory pre-emption rights contained in section 561(1) of the Act in respect of the allotment of up to 85,038,666 new Ordinary Shares being an aggregate nominal amount of £850,386.66. In addition to the allotment of the Placing Shares, the Directors are to be given a general disapplication in respect of the issue of further new Ordinary Shares for cash which will be in respect of approximately 20 per cent. of the Enlarged Share Capital. The authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2011.

13. Action to be taken

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed in accordance with the instructions therein and returned to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZL, as soon as possible, but in any event so as to be received by 11.00 a.m. on 16 October 2010. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

14. Recommendation

The Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously that Shareholders vote in favour of the Resolution to be proposed at the General Meeting. Shareholders (which include the Directors and LCM) have irrevocably undertaken to vote or procure to vote in favour of the Resolution in respect of 14,367,393 Existing Ordinary Shares, in aggregate, representing approximately 31.6 per cent. of the existing issued ordinary share capital of the Company.

Yours faithfully

Stephen Gutteridge
Chairman

NOTICE OF GENERAL MEETING

President Petroleum Company PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered no. 5104249)

Notice is hereby given that a general meeting of President Petroleum Company PLC (the "**Company**") will be held at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG on 18 October 2010 at 11.00 a.m. to consider and, if thought fit, to pass the resolution below which will be proposed as a special resolution.

SPECIAL RESOLUTION

1. THAT

- (a) the Directors be and they are hereby authorised generally and unconditionally pursuant to and for the purposes of Section 551 of the Companies Act 2006 (the "**Act**") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £995,370.17 provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 save that the Company may make an offer or agreement before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights pursuant thereto as if the authority conferred hereby had not expired, such authority to be in substitution for any existing authorities conferred on the Directors pursuant to Section 551 of the Act;
- (b) the Directors be and they are hereby generally empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred by sub-paragraph (a) above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be in substitution for any previous powers conferred on the Directors pursuant to Section 570 of the Act and shall be limited to:
- (i) allotments made in connection with offers of equity securities to the holders of ordinary shares in proportion (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of any overseas territory or the requirements of any recognised regulatory body or any stock exchange in any territory;
 - (ii) the allotment of equity securities up to an aggregate nominal amount of £632,911.40 pursuant to the Placing (as defined in the circular dated 30 September 2010 of which this notice forms part); and
 - (iii) the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of further equity securities up to an aggregate nominal amount of £217,475.00,

provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

Registered office:
13 Regent Street
London SW1Y 4LR

By order of the Board:
David Wake-Walker
Company Secretary
30 September 2010

Notes

Record time and date

1. Only those shareholders included in the register of members of the Company at 6.00 p.m. on 16 October 2010 or, if the meeting is adjourned, in the register of members at 6.00 p.m. on the day which is two calendar days before the time for holding any adjourned meeting, will be entitled to attend and to vote at the General Meeting in respect of the number of Ordinary Shares registered in their names at that time. Changes to entries on the share register after the relevant deadline will be disregarded in determining the rights of any person to attend or vote at the General Meeting.

Appointment of proxies

2. A shareholder is entitled to appoint another person as that shareholder's proxy to exercise all or any of that shareholder's rights to attend and to speak and vote at the General 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 does not need to be a shareholder of the Company. A proxy is legally required to vote in accordance with any voting instructions given by his appointing shareholder.
3. A form of proxy for use in connection with the General Meeting accompanies the document of which this notice forms part. If you do not have a form of proxy and believe that you should, please contact the Company's registrars, Equiniti Limited on 0871 384 2050 (calls are charged at 8 pence per minute if calling from a BT Landline), or if you are calling from outside the UK on +44 121 415 0259 or at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZL, United Kingdom. The telephone helpline is available between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding bank holidays. Completion and return of a form of proxy will not prevent a shareholder from attending and voting at the General Meeting. Addresses (including electronic addresses) in this document are included strictly for the purposes specified and not for any other purpose.
4. To appoint a proxy or proxies shareholders must complete: (a) a form of proxy, sign it and return it, together with the power of attorney or any other authority under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Equiniti Limited; or (b) a CREST Proxy Instruction (see note 5 below); in each case so that it is received no later than 11.00 a.m. on 16 October 2010.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual which can be viewed at www.euroclear.com/CREST. CREST Personal Members or other CREST sponsored members and those CREST members who have appointed any 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 using the CREST service 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 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 Company's agent (Equiniti Limited RA19) by the latest time for receipt of proxy appointments set out in paragraph 4 above. 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 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.

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 any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is 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.

