

Notice of Annual General Meeting
SOUND ENERGY PLC
(registered in England and Wales No. 05344804)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000, as amended. If you have sold or otherwise transferred all your shares in Sound Energy plc, please forward this document and the accompanying form of proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

A form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the meeting, please:

- complete the form of proxy and return it in accordance with the instructions printed on it so as to reach the Company's registrar no later than 12:00 p.m. on Monday, 27 June 2016; or
- register the appointment of a proxy electronically by logging onto Capita Asset Services' website at: The Share Portal at www.capitashareportal.com. Your electronic proxy appointment must be received by Capita Asset Services no later than 12:00 p.m. on Monday, 27 June 2016; or
- if you are a CREST member, by using the service provided by Euroclear.

Further details are given in the notes to this document on page 3. Completion and return of the form of proxy or submission of an electronic proxy instruction will not prevent you from attending and voting at the meeting in person, should you so wish.

Notice is hereby given that the Annual General Meeting ("AGM") of Sound Energy plc ("the Company") will be held at the offices of Smith & Williamson, 25 Moorgate, London EC2R 6AY on Wednesday, 29 June 2016 at 12:00 p.m. for the purposes of considering and, if thought fit, passing the following resolutions 1-7 as ordinary resolutions and 8 as a special resolution:

Resolution 1

To receive the audited annual accounts of the Company for the year ended 31 December 2015 together with the Directors' reports and the Auditor's report on those annual accounts.

Resolution 2

THAT Crowe Clark Whitehill LLP be re-appointed as the Auditor of the Company, to hold office from the conclusion of this AGM to the conclusion of the next general meeting at which accounts are laid before the Company.

Resolution 3

THAT the Directors be authorised to determine the remuneration of the Auditor.

Resolution 4

THAT Richard Thomas Liddell be re-appointed as a Director following his appointment as a Director of the Company on 28 September 2015, in accordance with Article 131 of the Company's Articles of Association and, being eligible, offers himself for re-election.

Resolution 5

THAT Stephen James Whyte be re-appointed as a Director following his appointment as a Director of the Company on 28 September 2015, in accordance with Article 131 of the Company's Articles of Association and, being eligible, offers himself for re-election.

Resolution 6

THAT James Parsons stands for re-election as a Director of the Company, who retires by rotation under Article 124 of the Articles of Association and, being eligible, offers himself for re-election.

Resolution 7

THAT in accordance with section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined in the notes to this resolution) up to an aggregate nominal amount of £1,687,372, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 June 2017 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

Resolution 8

THAT the Directors be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 7 or by way of a sale of treasury shares, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities arising from the exercise of options and warrants outstanding as at the date of the passing of this resolution;
- (b) the allotment of equity securities in connection with an offer of equity securities:
 - (i) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and/or
 - (ii) to holders of other equity securities as required by the rights of those securities,but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (c) the allotment (otherwise than pursuant to paragraphs (a) and/or (b) of this resolution) of equity securities to any person up to an aggregate nominal amount of £1,687,372.

The power granted by this resolution will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, 30 June 2017 save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Companies Act 2006 did not apply but without prejudice to any allotment of equity securities already made, offered or agreed to be made pursuant to such authorities.

By order of the Board

Amanda Bateman
Company Secretary
27 May 2016

Registered Office

4a Brewery Lane
Bligh's Meadow
Sevenoaks, TN13 1DF

NOTES:

- 1 Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the AGM (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company no later than 6:00 p.m. on the day that is two days before the time for holding the meeting or any adjournment of it. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

- 2 Only holders of ordinary shares are entitled to attend and vote at this meeting.

A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the AGM. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. A form of proxy for the meeting is enclosed.

To be valid any proxy form or other instrument appointing a proxy must be received by post or by hand (during normal business hours only) or at the electronic address provided in the form of the proxy by our registrar, Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Kent BR3 4ZF, no later than 48 hours before the time for the holding of the meeting or any adjournment of it. If you are a CREST member, see note 3 below.

Completion of a form of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.

- 3 Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of association. 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 using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland Limited's ("**Euroclear**") 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 issuer's agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear 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 provider(s) 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.

- 4 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.
- 5 Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- 6 Copies of executive Directors' service agreements, copies of the terms and conditions of appointment of Non-executive Directors and a copy of the existing memorandum and articles of association are available for inspection at the Company's registered office during normal business hours from the date of this notice until the close of the AGM (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting. A copy of this notice can be found at www.soundenergyplc.com.
- 7 As at 26 May 2016 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of **506,211,611** ordinary shares of 1p each, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 506,211,611.
- 8 You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this Notice of Meeting (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

EXPLANATORY NOTES:

- 9 **Resolution 1.** At the AGM, the Directors will present the annual accounts, together with the Directors' reports and Auditor's report on those accounts, to the shareholders for the financial year ended 31 December 2015.
- 10 **Resolution 2.** This resolution concerns the re-appointment of Crowe Clark Whitehill LLP as the Auditor until the conclusion of the next general meeting at which accounts are laid, that is, the next AGM.
- 11 **Resolution 3.** This resolution authorises the Directors to fix the Auditor's remuneration.
- 12 **Resolutions 4 & 5.** These resolutions are to approve the re-appointment of Richard Liddell and Stephen Whyte respectively. Article 131 of the Company's Articles of Association requires that any Director who shall have been appointed as a Director by the Directors shall retire at the AGM next following such appointment and shall be eligible for re-appointment.
- 13 **Resolution 6.** This resolution is to approve the re-election of James Parsons as a Director of the Company. The re-election is in accordance with the retirement by rotation requirements under Article 124 of the Company's Articles of Association.
- 14 **Resolution 7.** This resolution deals with the Directors' authority to allot Relevant Securities in accordance with section 551 of the Companies Act 2006. If passed, the resolution will authorise the Directors to allot Relevant Securities up to a maximum nominal amount of £1,687,372 which represents approximately 33.3% of the Company's issued ordinary shares as at 26 May 2016 (being the latest practicable date prior to publication of this document). The authority granted by this resolution will expire on 30 June 2017 or, if earlier, on the conclusion of next year's annual general meeting.

In this resolution, **Relevant Securities** means:

- shares in the Company, other than shares allotted pursuant to:
 - an employee share scheme (as defined in section 1166 of the Companies Act 2006);
 - a right to subscribe for shares in the Company where the grant of the right itself constitutes a Relevant Security; or
 - a right to convert securities into shares in the Company where the grant of the right itself constitutes a Relevant Security; and
 - any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined in section 1166 of the Companies Act 2006). References to the allotment of Relevant Securities in this resolution include the grant of such rights.
- 15 **Resolution 8.** This resolution will, if passed, give the Directors power, pursuant to the authority to allot granted by resolution 7, to allot equity securities (as defined by section 560 of the Companies Act 2006) or sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings: (a) in respect of options and warrants outstanding as of the date the resolution is passed; (b) in relation to pre-emptive offers and offers to holders of other equity securities if required by the rights of those securities; and (c) in any other case, up to a maximum nominal amount of £1,687,372 which represents approximately 33.3% of the Company's issued ordinary share capital as at 26 May 2016 (being the latest practicable date prior to the publication of this document). The power granted by this resolution will expire on the conclusion of next year's annual general meeting or, if earlier, on 30 June 2017.

Amongst other possible actions, the Directors currently intend to exercise the authority conferred by this resolution to issue 3,335,214 share warrants to Greenberry PLC in connection with that company's proposed subscription for bonds to be issued by the Company as further described in the Company's announcement dated 10 May 2016.