

**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 midday on Monday, 20 May 2019; or
- register the appointment of a proxy electronically by logging onto Link Asset Services' website at: The Share Portal at [www.signalshares.com](http://www.signalshares.com) Your electronic proxy appointment must be received by Link Asset Services no later than midday on Monday, 20 May 2019; 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 of Annual General Meeting**

**(registered in England and Wales No. 05344804)**

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Notice is hereby given that the Annual General Meeting ("AGM") of Sound Energy plc ("the Company") will be held at the Banqueting Hall, Glaziers Hall, 9 Montague Close, London Bridge, SE1 9DD on Wednesday, 22 May 2019 at midday for the purposes of considering and, if thought fit, passing the following resolutions 1-7 as ordinary resolutions and 8- 9 as special resolutions:

**Resolution 1**

To receive the audited annual accounts of the Company for the year ended 31 December 2018 together with the Director's report, the Strategic report and the Auditor's report on those annual accounts.

**Resolution 2**

**THAT** Crowe UK 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 auditors.

**Resolution 4**

**THAT** David Clarkson be appointed a Director of the Company in accordance with Article 131 of the Company's Articles of Association.

**Resolution 5**

**THAT** John Joseph Traynor be appointed a Director of the Company in accordance with Article 131 of the Company's Articles of Association.

**Resolution 6**

**THAT** James Parsons be re-appointed as a Director of the Company, having retired by rotation under Article 124 of the Articles of Association and, being eligible, offered himself for re-appointment.

#### **Resolution 7**

**THAT**, in substitution for all existing authorities, the directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "2006 Act"), to exercise all of 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 £3,519,132; and
- (b) in addition to the amount referred to in paragraph (a) above up to a further aggregate nominal amount of £3,519,132 in connection with a rights issue to:
  - (i) holders of ordinary shares made in proportion (as nearly as practicable) to the respective number of ordinary shares; and
  - (ii) holders of any other class of equity securities if this is required by the rights attaching to those securities or if the Directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

provided that such authorities shall expire at the conclusion of the AGM of the Company in 2020 or on 30 June 2020, whichever is the earlier, save that the Company may before such expiry make any offer or agreement 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 to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorities conferred by this resolution had not expired.

#### **Resolution 8**

**THAT** subject to the passing of Resolution 7 pursuant to and in accordance with sections 570 and 573 of the 2006 Act, the Directors be and are generally and unconditionally authorised to allot equity securities (as defined in section 560(1) of the 2006 Act) wholly for cash under the authority given by Resolution 7 and/or by way of a sale of treasury shares as if section 561(1) of the 2006 Act did not apply to any such allotment (or sale), such authority to be limited to:

- (a) an allotment of equity securities in connection with an offer of such securities by way of rights issue, open offer or other pre-emptive offer to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares (and holders of other equity securities of any class if this is required by the rights attaching to these securities or, if the directors consider it necessary, as permitted by the rights attaching to those securities), but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical issues under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than pursuant under paragraph (a) of this Resolution 8, an allotment of equity securities (or sale of treasury shares) up to an aggregate nominal amount of £1,583,609 of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to publication of the notice of meeting,

such authority to expire at the conclusion of the Company's next AGM after passing of this resolution or, if earlier, 30 June 2020 (unless renewed, varied or revoked by the Company prior to its expiry), save that, prior to its expiry, the Company may make offers or enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if such authority had not expired.

#### **Resolution 9**

**THAT** the Company be and it is hereby generally and unconditionally authorised for the purposes of Section 701 of the 2006 Act to make market purchases (as defined in Section 693(4) of the 2006 Act) of ordinary shares of £0.01 each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine provided that:

- i. the maximum aggregate number of ordinary shares which may be purchased is 105,573,951
- ii. the minimum price (exclusive of expenses) which may be paid for each ordinary share is £0.01.
- iii. the maximum price (exclusive of expenses) which may be paid for any ordinary share does not exceed the higher of:
  - a. 5% above the average of the middle market prices of the ordinary shares on the London Stock Exchange Daily Official List for the five business days immediate preceding the date on which the Company agrees to buy the shares concerned; and
  - b. the price of the last independent trade of any ordinary share and the highest independent current bid for an ordinary share derived from the London Stock Exchange at the time the purchase is carried out.

In exercising this authority the Company may purchase shares using any currency, including pounds sterling, US dollars and euros.

This authority shall expire on the conclusion of the next AGM of the Company or on 30 June 2020, whichever is the earlier, provided that, the Company may before such expiry make a contract to purchase ordinary shares which will or may be executed or completed wholly or partly after such expiry and may make a purchase of ordinary shares in pursuance of such contract as if the authority conferred by this resolution had not expired.

By order of the Board  
AMBA Secretaries Limited  
Company Secretary  
15 April 2019

Registered Office  
1st Floor,  
4 Pembroke Road  
Sevenoaks, TN13 1XR

## 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 close of business 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, Link Asset Services, PXS1, The Registry, 34 Beckenham Road, Kent BR3 4ZF, no later than 48 hours business 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](http://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](http://www.soundenergyplc.com).
- 7 As at 9 April 2019 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 1,055,739,513 ordinary shares of £0.01 each, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 1,055,739,513.
- 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' report, the Strategic Report and the Auditor's report on the accounts, to the shareholders for the financial year ended 31 December 2018.
- 10 **Resolution 2.** This resolution concerns the re-appointment of Crowe U.K. 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 **Resolution 4.** This resolution is to approve the appointment of David Clarkson as a Director of the Company. The appointment is in accordance with the requirements of appointment as required under Article 131 of the Company's Articles of Association.
- 13 **Resolution 5.** This resolution is to approve the appointment of John Joseph Traynor as a Director of the Company. The appointment is in accordance with the requirements of appointment as required under Article 131 of the Company's Articles of Association.
- 14 **Resolution 6.** This resolution is to approve the re-appointment of James Parsons as a Director of the Company. The re-appointment is in accordance with the requirements of retirement by rotation as required under Article 124 of the Company's Articles of Association.
- 15 **Resolution 7.** This resolution deals with the Directors' annual authority to allot Relevant Securities in accordance with section 551 of the 2006 Act. If passed, the resolution will authorise the Directors to allot ordinary shares or to grant rights to subscribe for or to convert any security into shares (a) up to a maximum nominal amount of £3,519,132 which represents approximately one third of the Company's issued ordinary shares as at 9 April 2019 (being the latest practicable date prior to publication of this document) and (b) in addition to the amount of any allotments under part (a) of the resolution, in connection with a rights issue up to a further maximum nominal amount of £3,519,132, representing approximately one third of the Company's issued ordinary shares as at 9 April 2019 (being the latest practicable date prior to publication of this document). The authority granted by this resolution will expire on 30 June 2020 or, if earlier, on the conclusion of next year's AGM.
- 16 **Resolution 8.** This resolution 8 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(1) of the 2006 Act) 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 £1,583,609 which represents approximately 15% of the Company's issued ordinary share capital as at 9 April 2019 (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 AGM or, if earlier, on 30 June 2020.
- 17 **Resolution 9.** Authority is sought in Resolution 9 for the Company to be able to make market purchases of its own shares. If passed, Resolution 9 will give the Company authority to purchase up to 105,573,951 of its ordinary shares of £0.01 each, representing 10% of its issued share capital as at 9 April 2019 (being the latest practicable date prior to publication of this document) by way of market purchases.

Ordinary shares will not be purchased for a price less than one pence per share being the nominal value of each share, nor for more than 5% above the average of the middle market quotations of the ordinary shares over the preceding five business days or more than the price of the last independent trade of any ordinary share and the highest independent current bid for an ordinary share derived from the London Stock Exchange at the time the purchase is carried out. Ordinary shares will not be purchased during any period in which the Company is otherwise prohibited from making market purchases. Purchases will be made using available reserves. Once purchased Ordinary Shares will be cancelled and the number of shares in issue will be reduced accordingly.

The Directors have no present intention of exercising the authority granted by this resolution 9, but the authority provides the flexibility to allow them to do so in the future. The Directors will only exercise this authority if they believe that the effect of such purchases will be to increase the underlying value per Ordinary Shares having regard to the interest of shareholders generally.

The authority granted by this Resolution will expire on the date of the next AGM of the Company or 30 June 2020 whichever is earlier.