

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult an appropriate independent financial adviser. If you have sold or otherwise transferred all your Ordinary Shares in Premier Oil plc you should forward this document and 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 transmission to the purchaser or transferee.

PREMIER OIL PLC

Letter from the Chairman and Notice of Annual General Meeting

1 April 2014

Dear Shareholder

I am pleased to attach the Notice of the Annual General Meeting of Premier Oil plc (the "Company") to be held at the Institute of Directors, 116 Pall Mall, London SW1Y 5ED at 11.00am on Wednesday 14 May 2014 (the "Meeting"). A form of proxy for use at the Meeting is also enclosed. If you would like to vote on the resolutions but cannot come to the Meeting, please fill in the form of proxy and return it to the Company's Registrar at PXS, 34 Beckenham Road, Beckenham, BR3 4TU as soon as possible. To be effective, forms of proxy must be lodged by 11.00am on Monday 12 May 2014. You may also submit your proxy electronically via the internet. Instructions on how to do this can be found on the form of proxy.

At this year's Meeting there are 22 resolutions which shareholders are asked to approve. Resolutions 1 to 19 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 20 to 22 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution. An explanation of each of these resolutions is given below.

Ordinary Resolutions

Resolution 1: Annual Report and Financial Statements 2013

The Board will present the Report of the Directors, the Auditor's Report and the Financial Statements of the Company for the year ended 31 December 2013 for adoption by the Company.

Resolution 2: Dividend

The Board proposes a final dividend of 5p per Ordinary Share for the year ended 31 December 2013. If approved, the recommended final dividend will be paid on 21 May 2014 to all shareholders who are on the register of members on 22 April 2014.

Resolutions 3 and 4: Annual Report on Remuneration and Directors' Remuneration Policy

In accordance with new legislation which came into force in October 2013, shareholders will be invited to approve the Annual Report on Remuneration and separately the Directors' Remuneration Policy.

The Annual Report on Remuneration, which includes a statement by Jane Hinkley, Chairman of the Remuneration Committee, is set out on page 78 and pages 90 to 105 of the 2013 Annual Report and Financial Statements. The Annual Report on Remuneration sets out payments made during 2013 and explains how the remuneration policy will be implemented in 2014. The vote on the Annual Report on Remuneration, under Resolution 3, is advisory only and will not require the Company to alter any arrangements detailed in the report should the resolution not be passed.

The Directors' Remuneration Policy (the "Policy") is set out on pages 79 to 89 of the 2013 Annual Report and Financial Statements and is subject to a binding shareholder vote, under Resolution 4. The Policy sets out the remuneration policy for executive and non-executive directors. If approved, the Policy will be effective from the conclusion of the Meeting and will be subject to a binding vote by shareholders at least every three years. Once the Policy commences, the Company will not be able to change the Policy or make any remuneration payments to current or prospective directors or payments for loss of office to current or former directors which are inconsistent with the approved Policy, without the prior approval of shareholders at a general meeting. If the Policy is not approved at the Meeting, the Company will, to the extent permitted by the Companies Act 2006, continue to make payments to directors in accordance with existing contractual arrangements and will seek shareholder approval for a revised policy as soon as practicable.

Resolutions 5 – 16: Election or re-election of directors

The UK Corporate Governance Code states that all directors of FTSE 350 companies should be subject to annual election by shareholders. All the directors of the Company are submitting themselves for election or re-election by shareholders. Biographical details of all directors are set out on pages 6 and 7 of this document. The Board considers that all non-executive directors are independent in character and judgement. In addition, and following individual performance evaluations conducted during the year, the Board considers that each director standing for re-election continues to make an effective and valuable contribution and demonstrates commitment to the role. Accordingly, the Board unanimously recommends the election or re-election of each director.

Resolutions 17 and 18: Re-appointment and remuneration of the auditor

Resolution 17 seeks the re-appointment of Deloitte LLP as auditor of the Company in accordance with Section 489 of the Companies Act 2006. Deloitte LLP has confirmed its willingness to stand for re-appointment as auditor of the Company until the conclusion of the Annual General Meeting of the Company to be held in 2015. The directors recommend the re-appointment of Deloitte LLP.

Resolution 18 authorises the Board of Directors, in accordance with standard practice, to agree the remuneration of the auditor. The Board has delegated this responsibility to the Audit and Risk Committee.

Resolution 19: General authority to allot shares

Resolution 19 seeks authority for the Board to allot, or grant rights to subscribe for or convert securities into, a limited number of shares in the Company. Section 551 of the Companies Act 2006 requires such authority to be granted by the Company in a general meeting so that any allotment of shares or grant of rights to subscribe for or convert securities into shares is not exercised at the sole discretion of the directors. The Resolution specifies the maximum nominal amount of shares which can be allotted or rights granted.

Part a) of this Resolution authorises the directors to allot Ordinary Shares or grant rights to subscribe for or convert securities into shares up to an aggregate nominal amount equal to £22,001,825 (representing 176,014,600 Ordinary Shares of 12.5 pence each). This amount represents approximately one-third of the issued Ordinary share capital (excluding treasury shares) of the Company. An explanation of the calculation is given below.

In line with guidance issued by the Association of British Insurers ("ABI"), part b) of this Resolution authorises the directors to allot Ordinary Shares or grant rights to subscribe for or convert securities into shares in connection with a rights issue in favour of Ordinary shareholders up to an aggregate nominal amount equal to £44,003,651, less the nominal amount of any shares issued under part a) of the Resolution. This amount represents approximately two-thirds of the issued Ordinary share capital (excluding treasury shares) of the Company. An explanation of the calculation is given below.

The figure used for the nominal amount of issued Ordinary share capital of the Company is based on the Ordinary share capital in issue as at 1 April 2014. As at the date of this document, no Ordinary Shares are held by the Company in treasury. The directors have no present intention to exercise either of the authorities sought under this Resolution but would like the flexibility to do so in appropriate circumstances. However, if they do exercise the authority under part b), the directors intend to follow ABI recommendations concerning its use (including as regards the directors standing for re-election in certain cases).

These authorities shall last until the conclusion of the Annual General Meeting of the Company to be held in 2015.

Special Resolutions

Resolution 20: Disapplication of pre-emption rights

If a company proposes to allot Ordinary Shares or other 'equity securities' (including any shares which the Company has purchased and has elected to hold as treasury shares) wholly for cash it has a statutory obligation (subject to certain exemptions) to offer those shares to holders of similar shares in proportion to their existing holdings. Resolution 20 seeks to disapply this statutory right of first refusal to a limited extent to give the directors some flexibility to raise capital through an issue of shares. This authority shall last until the conclusion of the Annual General Meeting of the Company to be held in 2015. Part a) of the Resolution provides the directors with flexibility to deal with practical issues such as fractional entitlements and securities law restrictions in overseas jurisdictions. Part b) of the Resolution contains a broader disapplication of pre-emption rights up to a maximum nominal amount of £3,300,273 which represents approximately 5 per cent of the issued Ordinary share capital of the Company. In accordance with the Pre-emption Group Statement of Principles, the directors confirm their intention that no more than 7.5 per cent of the issued Ordinary share capital will be issued for cash on a non-pre-emptive basis during any rolling three-year period.

Resolution 21: Purchase of own shares

Resolution 21 seeks authority for the Company to make market purchases of its own Ordinary Shares, which would otherwise be prohibited by the Companies Act 2006. On 27 February 2014, the Company announced its intention to initiate a share buyback programme of an amount up to £75.0 million in accordance with the authority granted to it by shareholders at the 2013 Annual General Meeting. The share buyback programme will be reviewed by the Board on a quarterly basis and, as at 1 April 2014, 1,177,149 shares had been repurchased and cancelled by the Company.

The directors continue to believe that the Board should retain the flexibility to be able to buy back the Company's shares when it is in the best interests of shareholders to do so and will result in an increase in earnings per share, therefore Resolution 21 proposes a renewal of the existing authority.

The Resolution specifies the maximum number of shares that can be acquired (approximately 15 per cent of the issued Ordinary share capital (excluding treasury shares) of the Company) and the minimum and maximum prices at which they may be bought. Any shares purchased under the authority granted by the Resolution will either be cancelled or may be held as treasury shares (see further below).

The minimum price, exclusive of expenses, which may be paid for an Ordinary Share is an amount equal to the nominal value of an Ordinary Share. The maximum price, exclusive of expenses, which may be paid for an Ordinary Share is the higher of (i) an amount equal to 5% above the average of the closing mid market price of an Ordinary Share for the five business days immediately preceding the date of the purchase, and (ii) that stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation, Commission Regulation (EC) of 22 December 2003.

Under the Company's current buyback programme, shares are being repurchased and cancelled. However, there may be times in the future when the Board will consider it appropriate to hold any repurchased shares in treasury, provided that the number does not at any time exceed 10 per cent of the Company's issued Ordinary share capital. This would give the Company the ability to re-issue treasury shares quickly and cost-effectively, and would provide the Company with additional flexibility in the management of its capital base.

The total number of outstanding options to subscribe for Ordinary Shares in the Company is 471,058 which represents approximately 0.09 per cent of the issued Ordinary share capital of the Company (excluding any shares held as treasury shares). If the Company were to purchase the maximum number of Ordinary Shares permitted by the Resolution and by the existing authority given at last year's Annual General Meeting, the options outstanding would represent approximately 1.02 per cent of the reduced issued Ordinary share capital (excluding any shares held as treasury shares). The authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2015.

Resolution 22: Notice period for general meetings other than the Annual General Meeting

Resolution 22 is required to reflect the changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations"). The Shareholders' Rights Regulations increased the notice period for general meetings of the Company to 21 clear days unless shareholders approve a shorter period, which cannot be less than 14 clear days. Annual General Meetings of the Company will continue to be held on at least 21 clear days' notice.

Equivalent resolutions have been passed at the Company's last five Annual General Meetings, allowing the Company to call general meetings (other than an annual general meeting) on 14 clear days' notice provided that a means of electronic voting is made available to all shareholders for that meeting. In order to preserve this ability, Resolution 22 seeks approval by the Company's shareholders to continue to call such meetings on 14 clear days' notice. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. The approval will be effective until the conclusion of the Company's Annual General Meeting to be held in 2015, when it is intended that a similar resolution will be proposed.

The directors consider that all proposals to be considered at the Meeting are in the best interests of the Company and its members as a whole. The directors unanimously recommend that you vote in favour of all the proposed resolutions, as they intend to do in respect of their own shareholdings.

Yours sincerely



Mike Welton
Chairman

DIRECTORS' BIOGRAPHIES – EXECUTIVE

Ages are as at the date of this Notice of Meeting

Robin Allan
Director, Business Units
Age: 54
Board tenure: 10 years

Robin Allan joined Premier from Burmah Oil in July 1986, working initially as a geologist. After technical and new venture roles he spent six years in South East Asia, initially managing Premier's Asian existing and new venture business and later becoming Premier's Country Manager in Indonesia. He became a member of the Premier Board in December 2003 as Director of Business Development. Mr Allan spent three years in Asia as Director – Asia, before returning to London in October 2012 to take up the role of Director, Business Units.

Tony Durrant
Finance Director
Age: 55
Board tenure: 9 years

Tony Durrant joined Premier in June 2005. After qualifying as a chartered accountant with Arthur Andersen, he joined Lehman Brothers in London, initially as an oil sector analyst. He moved to the investment banking division of Lehman in 1987 and from 1997 was a Managing Director and Head of the European Natural Resources Group. In this role, he managed both client relationships and numerous transactions for a variety of European and North American clients. He joined the Premier Board in July 2005 as Finance Director.

Other directorships and offices: Mr Durrant is a non-executive director of Greenergy Fuels Holdings Limited and is Chairman of their Audit and Risk Committee.

Neil Hawkings
Director, Falkland Islands
Age: 53
Board tenure: 8 years

Neil Hawkings joined Premier in May 2005 after more than 20 years with ConocoPhillips where he worked in a variety of engineering, commercial and management roles around the world, undertaking assignments in the UK, Dubai and Indonesia. He joined the Premier Board in March 2006 as Operations Director.

Simon Lockett
Chief Executive
Age: 49
Board tenure: 10 years

Simon Lockett joined Premier in January 1994 from Shell and has worked in a variety of roles for Premier, including the management of investor relations, as Commercial Manager in Indonesia and as Country Manager in Albania. He became a member of the Premier Board in December 2003 as Operations Director. He was appointed Chief Executive in March 2005.

Committee memberships: Mr Lockett is a member of Premier's Nomination Committee.

Andrew Lodge
Exploration Director
Age: 57
Board tenure: 5 years

Andrew Lodge has been Exploration Director of Premier since April 2009. Prior to joining Premier, Mr Lodge was Vice President – Exploration at Hess, where he was responsible for Europe, North Africa, Asia and Australia for nine years. Previously, he was Vice President – Exploration, Asset Manager and Group Exploration Advisor for BHP Petroleum, based in London and Australia. Prior to joining BHP Petroleum, he worked for BP as a geophysicist.

Other directorships and offices: Mr Lodge is a non-executive director of Egdon Resources plc.

DIRECTORS' BIOGRAPHIES – NON-EXECUTIVE

David Bamford
Non-executive Director
Age: 67

David Bamford will be joining the Board as a non-executive director with effect from 1 May 2014. David spent 23 years at BP in a variety of technical and exploration roles including Chief Geophysicist, General Manager for West Africa, and Vice President, Exploration, directing BP's global exploration programme from 2001 to 2003. He has been Senior Independent Director on the Board of Tullow Oil since 2004 but will be leaving this position as of 30 April 2014. David holds a PhD in Geological Sciences from the University of Birmingham.

Anne Marie Cannon
Non-executive Director
Age: 56

Anne Marie Cannon joined Premier's Board as a non-executive director on 1 February 2014. Anne Marie has over 30 years' experience in the energy and banking sectors, including roles at Shell UK, J. Henry Schroder Wagg and British Borneo. Between 2000 and early 2014, she was a Senior Advisor to the Natural Resources Group at Morgan Stanley focusing on upstream mergers and acquisitions. She is also currently Deputy Chair of the Board of Det Norske Oljeselskap. Anne Marie holds a Bachelor of Science in Geography from the University of Glasgow.

Joe Darby
Senior Independent Director
Age: 65
Board tenure: 6 years

Joe Darby joined Premier's Board as a non-executive director in September 2007. Mr Darby has over 40 years of experience in the energy sector, including eight years with Shell Petroleum before becoming Managing Director of Thomson North Sea Ltd. He has held a number of senior roles, including Chief Executive, with LASMO plc. Mr Darby has held non-executive roles at Nordaq Energy plc, British Nuclear Fuels plc, Mowlem plc and Centurion Energy Inc. He was Chairman of Mowlem plc (2005-2006) and Faroe Petroleum plc (2003-2007).

Committee memberships: Mr Darby is a member of Premier's Audit and Risk, Remuneration and Nomination Committees.

Other directorships and offices: Mr Darby is a non-executive director of Alkane Energy plc and Gulfsands Petroleum plc.

Jane Hinkley
Non-executive Director
Age: 63
Board tenure: 3 years

Jane Hinkley joined Premier's Board in September 2010 as a non-executive director. Ms Hinkley is a qualified chartered accountant with executive experience primarily in international shipping, having held managing directorships at Navion Shipping AS and Gotaas-Larsen Shipping Corporation. Ms Hinkley has previously held a non-executive role at Revus Energy ASA, a Norwegian exploration and production company.

Committee memberships: Ms Hinkley is the Chairman of Premier's Remuneration Committee and a member of the Nomination Committee.

Other directorships and offices: Ms Hinkley is a non-executive director of Vesuvius plc, which supplies primarily the global steel and foundry industries, and has been an independent director on the board of Teekay GP LLC, an international provider of marine transportation services for LNG, LPG and crude oil, since 2005.

David Lindsell
Non-executive Director
Age: 66
Board tenure: 6 years

David Lindsell joined Premier's Board in January 2008 as a non-executive director. He was a partner at Ernst & Young LLP for nearly 30 years and has extensive experience across a range of industry sectors, with a strong knowledge of the oil and gas sector. Mr Lindsell was Deputy Chairman of the Financial Reporting Review Panel from 2008 to 2012.

Committee memberships: Mr Lindsell is the Chairman of Premier's Audit and Risk Committee and a member of the Remuneration and Nomination Committees.

Other directorships and offices: Mr Lindsell has been a non-executive director of Drax Group plc since 2008 and was appointed as a non-executive director of Hellermanntyton Group plc, an electrical and communication networks accessory provider, on 13 March 2013.

Michel Romieu
Non-executive Director
Age: 74
Board tenure: 6 years

Michel Romieu joined Premier's Board as a non-executive director in January 2008. Mr Romieu has over 30 years experience in the international energy sector, including 25 years with the Elf Group, where he held several senior positions including Chief Executive of Elf UK and the group's gas division. He was elected President of the UK Offshore Operator's Association for the year 1995, and held the position of Director for Gas of CRE, the French energy regulator, from 2000 to 2003.

Committee memberships: Mr Romieu is a member of Premier's Audit and Risk and Nomination Committees.

Other directorships and offices: Mr Romieu has established his own consultancy specialising in providing advice to the gas industry, and is a lecturer at the French Petroleum Institute. Mr Romieu is also President of Uprigaz.

Mike Welton
Non-executive Chairman
Age: 67
Board tenure: 4 years

Mike Welton joined Premier's Board in June 2009 as a non-executive director and became Chairman in October 2009. Mr Welton was previously Chairman of Southern Water Services Ltd (2008-2012), Hanson plc (2005-2007), the Turkish/British Business Council and the UK Government's Railway Sector Advisory Group. He was also Chief Executive of Balfour Beatty plc (1999-2004).

Committee memberships: Mr Welton is the Chairman of Premier's Nomination Committee.

Other directorships and offices: Mr Welton is a director of Morrison Utility Services and High Speed Two, the government owned LLC set up to examine high speed rail connections between London and the West Midlands. He sits on the advisory board of Montrose Associates and Alexander Proudfoot.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 12th Annual General Meeting of Premier Oil plc (the "Company") will be held at the Institute of Directors, 116 Pall Mall, London SW1Y 5ED at 11.00am on Wednesday 14 May 2014, when the following business will be transacted:-

Ordinary Resolutions

1. To receive and adopt the Report of the Directors and the Financial Statements of the Company for the year ended 31 December 2013 together with the Auditor's Report thereon.
2. To declare a final dividend of 5p per Ordinary Share for the year ended 31 December 2013.
3. To approve the Annual Report on Remuneration set out on page 78 and pages 90 to 105 of the Annual Report and Financial Statements 2013.
4. To approve the Directors' Remuneration Policy set out on pages 79 to 89 of the Annual Report and Financial Statements 2013, such policy to be effective from the conclusion of the Annual General Meeting.
5. To re-elect Mr R A Allan as a director of the Company.
6. To elect Dr S A D Bamford as a director of the Company.
7. To elect Mrs A M Cannon as a director of the Company.
8. To re-elect Mr J Darby as a director of the Company.
9. To re-elect Mr A R C Durrant as a director of the Company.
10. To re-elect Mr N Hawkings as a director of the Company.
11. To re-elect Ms I J Hinkley as a director of the Company.
12. To re-elect Mr D C Lindsell as a director of the Company.
13. To re-elect Mr S C Lockett as a director of the Company.
14. To re-elect Mr A G Lodge as a director of the Company.
15. To re-elect Mr M Romieu as a director of the Company.
16. To re-elect Mr M W Welton as a director of the Company.
17. To re-appoint Deloitte LLP as auditor of the Company until the conclusion of the next general meeting before which accounts are laid.
18. To authorise the Audit and Risk Committee to determine the remuneration of the auditor on behalf of the Board.
19. To authorise the directors generally and unconditionally, in substitution for any existing authorities and powers granted to directors prior to the passing of this Resolution, to exercise all the powers of the Company, in accordance with Section 551 of the Companies Act 2006 (the "Act"), to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
 - a) up to a nominal amount of £22,001,825 (such amount to be reduced by the nominal amount allotted or granted under part b) below in excess of such sum); and
 - b) comprising equity securities (as defined in Section 560(1) of the Act) up to a nominal amount of £44,003,651 (such amount to be reduced by any allotments or grants made under part a) above) in connection with an offer by way of a rights issue:
 - (i) to Ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

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 any other matter, provided that these authorities shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015, 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 convert securities into shares to be granted after such expiry and the directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authorities conferred hereby had not expired.

Special Resolutions

20. To empower the directors pursuant to Section 571 of the Act, in substitution of any existing authorities and powers granted to directors prior to the passing of this Resolution, to allot equity securities (within the meaning of Section 560(1) of the Act) for cash under the authority conferred by Resolution 19 and/or sell Ordinary Shares held by the Company as treasury shares for cash as if Section 561 of the Act did not apply to any such allotment or sale provided that this power shall be limited:

- a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of an authority granted under part b) of Resolution 19, by way of rights issue only) to Ordinary shareholders (excluding any shareholder holding shares as treasury shares) in proportion (as nearly as may be practicable) to their existing holdings of Ordinary Shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in respect of fractions or legal or practical problems in any jurisdiction or any other matter; and
- b) in the case of the authority granted under part a) of Resolution 19 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than pursuant to sub-paragraph a) above) of equity securities or sale of treasury shares up to a nominal amount of £3,300,273;

and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015, save that the Company may before such expiry make an offer or agreement 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) in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

21. To authorise the Company, generally and unconditionally in accordance with Section 701 of the Act to make market purchases (as defined in Section 693(4) of the Act) of Ordinary Shares, provided that:

- a) the Company may only purchase, under this authority, Ordinary Shares with an aggregate nominal value of up to £9,900,821;
- b) the Company does not pay less (exclusive of expenses) for each Ordinary Share than the nominal value of such share;
- c) the Company does not pay more (exclusive of expenses) for each Ordinary Share than the higher of (i) 5% over the average of the closing mid market price of the Ordinary Shares for the five business days immediately preceding the date on which the Company agrees to buy the shares concerned, based on share prices published in the Daily Official List of the London Stock Exchange and (ii) that price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation, Commission Regulation (EC) of 22 December 2003.

This authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015 provided that if the Company has agreed before such expiry to purchase Ordinary Shares where these purchases will or may be executed (either wholly or in part) after the authority terminates the Company may complete such a purchase as if the authority conferred hereby had not expired.

22. To authorise the calling of general meetings of the Company (not being an annual general meeting) by notice of at least 14 clear days, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015.

By order of the Board



Stephen Huddle
Company Secretary
Premier Oil plc

1 April 2014

NOTES TO THE NOTICE OF THE MEETING

Attending the Meeting and asking questions

To be entitled to attend and vote at the Annual General Meeting (the "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 close of business on Monday 12 May 2014 (or, in the event of any adjournment, close of business on the date which is two days 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.

Any member attending the Meeting 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 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.

Appointing a proxy

Shareholders are entitled to attend, speak and vote at the Meeting and may 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 Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. The Articles of Association of the Company provide that if a member appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of the member in a general meeting over more shares than are held by the member, then each of those proxy forms will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the relevant general meeting. A proxy need not be a member of the Company. A vote withheld is not a vote in law, which means that the vote will not be counted in the proportion of votes "for" and "against" the Resolution. Where a proxy has been appointed by a member, if such member does not give any instructions in relation to a Resolution that member should note that their proxy will have authority to vote on that Resolution as he/she thinks fit. A form of proxy 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 Capita Asset Services on 0871 664 0300 if calling from within the UK (calls cost 10p per minute plus network extras) or +44 (0)20 8639 3399 if calling from outside the UK. Lines are open between 8:30am and 5:30pm, Monday to Friday.

To be valid, forms of proxy must be lodged by one of the following methods by 11.00am on Monday 12 May 2014:

- In hard copy form by post to the Company's Registrar at PXS, 34 Beckenham Road, Beckenham, BR3 4TU; or
- In the case of CREST members or CREST Personal Members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
- By submitting your proxy appointment electronically via the internet. Instructions on how to do this can be found on the form of proxy.

The return of a completed form of proxy or any CREST Proxy Instruction (as described in below) will not prevent a shareholder attending the Meeting and voting in person if he/she wishes to do so.

CREST members

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual (available via www.euroclear.com/CREST). 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 & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 Capita Asset Services (ID: RA10) by 11.00am on Monday 12 May 2014. 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 Application 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 providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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, to procure that their 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 system 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 an instruction as invalid in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Nominated persons and information rights

Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 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 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.

The statement of the rights of shareholders in relation to the appointment of proxies described above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.

Joint holders and corporate representatives

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

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.

Members' power to require website publication of audit concerns

Under Section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

Share capital

As at 1 April 2014 (being the last practicable business date prior to the publication of this notice) the Company's issued Ordinary share capital consisted of 528,043,815 Ordinary Shares, carrying one vote each. Therefore the total voting rights in the Company as at 1 April 2014 were 528,043,815.

Queries and access to information

Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted): calling Capita Asset Services' shareholder helpline on 0871 664 0300 (calls cost 10p per minute including VAT plus network extras, lines are open 8.30am to 5.30pm, Monday to Friday) or from outside of the United Kingdom: +44 (0)208 639 3399. You may not use any electronic address provided either (a) in this Notice of Annual General Meeting, or (b) in any related documents (including the Chairman's letter and form of proxy) to communicate with the Company for any purposes other than those expressly stated.

The terms and conditions of appointment and letters of appointment of non-executive directors and all the directors' service contracts will be available for inspection at the Meeting for 15 minutes prior to the Meeting and during the Meeting.

A copy of this notice, and other information required by Section 311A of the Companies Act 2006, can be found at www.premier-oil.com.

