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If you have sold or otherwise transferred all of your Afren Shares please send 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 transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of shares in Afren you should retain this Document and the accompanying Form of Proxy and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This Document should be read in conjunction with the Afren Prospectus.

This Document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

AFREN PLC

(incorporated in England and Wales with registered number 05304498)



Proposed Acquisition of Black Marlin Energy Holdings Limited by means of a scheme of arrangement under section 179A of the British Virgin Islands Business Corporations Act 2004

Circular to Shareholders and Notice of General Meeting

Sponsor
BofA Merrill Lynch

This is not a prospectus but a shareholder circular. The distribution of this Document in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to the Document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. **Your attention is drawn to the letter from the Chairman of Afren which is set out on pages 5 to 16 of this Document, which contains the unanimous recommendation of the Afren Directors that you vote in favour of the Acquisition and the resolution to be proposed at the General Meeting convened by the notice set out in this Document. Please read the whole of the Document and the Prospectus and, in particular, the risk factors set out in the section headlined “Risk Factors” out on pages 11 to 30 of the Prospectus. You should not rely solely on the information summarised in this Document.**

Notice of the General Meeting, which is to be held at 11.00 a.m. on 21 September 2010 at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom is set out at the end of this Document. A Form of Proxy for use in relation to the General Meeting is enclosed. To be valid, the Forms of Proxy should be completed, signed and returned in accordance with the instructions printed on them as to

be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY or at the electronic address provided on the proxy form which is www.eproxyappointment.com, in each case no later than 11.00 a.m. on 17 September 2010. Completion and return of a Form of Proxy will not preclude Afren Shareholders from attending and voting in person at the General Meeting, should they so wish.

Merrill Lynch International, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as a sponsor to Afren in connection with the Acquisition and will not be responsible to anyone other than Afren for providing the protections afforded to clients of Merrill Lynch International or for providing advice in relation to the Acquisition.

CIBC World Markets, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as a financial adviser to Afren and no-one else in connection with the Acquisition and will not be responsible to anyone other than Afren for providing the protections afforded to clients of CIBC World Markets or for providing advice in relation to the Acquisition.

The New Ordinary Shares have not been, and will not be, registered under the Securities Act, or under the securities laws of any state, district, province or other jurisdiction of the United States. No regulatory clearances in respect of the New Ordinary Shares have been, or will be, applied for in any state, province, territory or jurisdiction other than the United Kingdom. Accordingly, unless an exemption under relevant securities laws is applicable, the New Ordinary Shares are not being, and may not be, offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States or to or for the account or benefit of any resident of the United States. The New Ordinary Shares are being offered in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) thereof and upon issuance thereof will generally be capable of being resold without restriction under the Securities Act by former Black Marlin Shareholders who are not affiliates of Afren and have not been affiliates of Afren within 90 days prior to the issuance of New Ordinary Shares under the Scheme.

No prospectus has been filed with the securities regulatory authorities of any Canadian province or territory with respect to the New Ordinary Shares. The New Ordinary Shares will not be offered or sold in Canada other than to Black Marlin Shareholders in reliance on an exemption from the prospectus and registration requirements of the applicable province or territory of Canada pursuant to sections 2.11 and 3.11 of NI 45-106.

Cautionary note regarding forward-looking statements

This Document contains a number of "forward-looking statements" relating to Afren and Black Marlin and the business sectors in which they operate. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates", "forecast", "plan" and "project" or similar expressions identify forward-looking statements. Such statements reflect the relevant company's current views with respect to future events and are subject to risks, assumptions and uncertainties that could cause the actual results to differ materially from those expressed or implied in the forward-looking statements. Many of these risks, assumptions and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions, changes in general economic and business conditions, introduction of competing products and services, lack of acceptance of new products or services and the behaviour of other market participants. Although Afren believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Afren Shareholders should not, therefore, place undue reliance on these forward-looking statements, which speak only as of the date of this Document. Except as required by the FSA, the London Stock Exchange or applicable law (including as may be required by the Listing Rules the Prospectus Rules and the Disclosure and Transparency Rules), Afren expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Document to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Dated: 24 August 2010

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PART 1

EXPECTED TIMETABLE

Expected timetable for the Acquisition

Application for Interim Court Order	26 July 2010
Record date for Black Marlin Shareholders	3 August 2010
Black Marlin Shareholders' meeting	10 September 2010
Record date for Afren Shareholders	17 September 2010
General Meeting	21 September 2010
Scheme Court Hearing	6 October 2010
Obtain Scheme Court Order	8 October 2010
Effective Date of Scheme	8 October 2010
Issue of New Ordinary Shares	8 October 2010
New Ordinary Share Admission	11 October 2010
Commencement of dealings on the London Stock Exchange of New Ordinary Shares	11 October 2010

Acquisition Statistics

Number of existing Ordinary Shares in issue (as at 23 August 2010)	891,125,768
Number of New Ordinary Shares to be issued pursuant to the Scheme	up to 76,776,564
Number of Ordinary Shares in issue upon completion of the Acquisition	up to 967,902,332
New Ordinary Shares to be issued as a percentage of the enlarged issued share capital of Afren	up to 7.9 per cent.

PART 2

CHAIRMAN'S LETTER



(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 05304498)

Directors:

Mr. Egbert Imomoh (*Non-Executive Chairman*)
Dr. Osman Shahenshah (*Chief Executive*)
Mr. Shahid Ullah (*Chief Operating Officer*)
Mr. Constantine Ogunbiyi (*Executive Director*)
Mr. Darra Comyn (*Group Finance Director*)
Mr. Ennio Sganzerla (*Non-Executive Director*)
Mr. Peter Bingham (*Non-Executive Director*)
Mr. John St. John (*Non-Executive Director*)
Mr. Toby Hayward (*Non-Executive Director*)

Registered and Head Office:

Afren plc
Kinnaird House
1 Pall Mall East
London
SW1Y 5AU

24 August 2010

Dear Shareholder,

Proposed Acquisition of Black Marlin (the “Acquisition”)

1. Introduction

On 2 June 2010, the Boards of Black Marlin and Afren announced that they had agreed the terms of a recommended proposal by Afren to acquire the entire issued and to be issued share capital of Black Marlin for New Ordinary Share consideration. On 11 August 2010, Black Marlin and Afren executed and delivered an amended and restated arrangement agreement. The Acquisition will be effected by way of a scheme of arrangement pursuant to section 179A of the BVI BCA (the “**Scheme**”) and will be conditional on, amongst others, the approval of Black Marlin Shareholders and the sanction of the Scheme by the Court. The Scheme is expected to become effective, and the Acquisition to complete, on about 8 October 2010.

The Acquisition constitutes a Class 1 transaction (as defined in Chapter 10 of the Listing Rules of the UKLA) for Afren and therefore requires the approval of Afren Shareholders. Accordingly, the Afren General Meeting has been convened for 11.00 a.m. on 21 September 2010 at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom to approve the necessary Resolution to implement the Acquisition. An explanation of the Resolution to be proposed at the meeting is set out in paragraph 13 below. The Board unanimously considers that the Resolution is in the best interests of the Company and recommends that Afren Shareholders vote in favour of the Resolution.

I am writing to give you further details of the Acquisition, including the background to and reasons for it, to explain why your Board considers it to be in the best interests of Afren and to seek your approval of the Resolution. The Prospectus in relation to the issue of the New Ordinary Shares in consideration for the Acquisition has been prepared in accordance with the Prospectus Rules and contains further details on the Acquisition.

2. Terms of the Acquisition

The Acquisition will be implemented, subject to the satisfaction or waiver of certain conditions, by means of a BVI Court-sanctioned scheme of arrangement between Black Marlin and Black Marlin Shareholders pursuant to which the Scheme Shares will be transferred to Afren in exchange for an issue of New Ordinary Shares to Black Marlin Shareholders.

Under the terms of the Acquisition, Afren Shareholders will retain their shares in Afren and Black Marlin Shareholders will receive:

for every one Black Marlin Share 0.3647 New Ordinary Shares

and so in proportion for any other number of Black Marlin Shares held. Any fractional entitlements to New Ordinary Shares arising out of the application of this exchange ratio shall be rounded down to the nearest whole number of New Ordinary Shares.

The terms of the Acquisition are based on the recent equity market capitalisations of the two companies. The exchange ratio is calculated by taking into account the share capital of Black Marlin on a fully diluted basis and values each Black Marlin share at C\$0.51 based on:

- (i) the twenty-day volume weighted average price for Afren on the main market of the London Stock Exchange for the twenty trading days prior to, and including, 1 June 2010 of 90 pence per share; and
- (ii) an exchange rate of C\$1.5399 per pound sterling.

On this basis, Black Marlin is valued at approximately C\$106.5 million. This represents a premium per Black Marlin share of approximately 35 per cent. calculated by comparing the implied price per Black Marlin share as calculated above with Black Marlin's share price of C\$0.38 on the TSXV at market close 1 June 2010, being the last trading day prior to announcement of the Acquisition.

Immediately following the Effective Date, assuming a maximum of 76,776,564 New Ordinary Shares are issued pursuant to the Acquisition and that no other Ordinary Shares are issued in the period from the publication of this Document to the Effective Date, it is expected that Black Marlin Shareholders and Black Marlin option-shareholders will hold approximately 7.9 per cent. and Afren Shareholders will hold approximately 92.1 per cent. of Afren's enlarged resultant issued share capital.

Application will be made to the UK Listing Authority for the New Ordinary Shares to be admitted to the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

In connection with the Acquisition and pursuant to certain agreements between Black Marlin, Afren and Black Marlin's option-holders, approximately 18.8 million outstanding options to acquire Black Marlin Shares will be cancelled in exchange for an issuance of an aggregate of approximately 2.9 million New Ordinary Shares to such option holders to be allocated based on the value of the various options. The remaining 1.0 million outstanding options to acquire Black Marlin Shares will become options to acquire New Ordinary Shares on substantially equivalent terms and conditions. For further details see paragraph 11 below.

Upon the Scheme becoming Effective:

- the Scheme Shares will be cancelled and de-listed from the TSXV and transferred to Afren in exchange for an issue of New Ordinary Shares to Black Marlin Shareholders, whereupon Black Marlin will become a private company and a wholly-owned subsidiary of Afren;
- the New Ordinary Shares are expected to be issued to the Black Marlin Shareholders and it is expected that the New Ordinary Share Admission will become effective, and that dealings for normal settlement in the New Ordinary Shares will commence; and
- the New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares in issue at the time the New Ordinary Shares are issued pursuant to the Acquisition, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after the Effective Date.

3. Information on Black Marlin

Black Marlin is an independent exploration and appraisal company listed on the TSX Venture Exchange. The company holds 12 upstream exploration blocks across Ethiopia, Kenya, Madagascar and the Seychelles. Its strategy is to focus on high impact exploration opportunities.

The 12 assets cover a surface area of 127,776 km² on a gross basis, and are all located in basins with proven petroleum systems or strong evidence of working petroleum systems. The portfolio is focused on rift basins which are geological settings that have yielded significant discoveries in Uganda, Sudan, Tanzania and Madagascar. A number of prospects have already been defined to date across the acreage.

Black Marlin's asset base is detailed in the table below, which is based on information set out in the GCA Report and the McDaniel Report on Black Marlin contained in Parts 12 and 13 of the Prospectus and that are incorporated by reference in this Document.

<i>Licences</i>	<i>Working</i>	<i>Area in km²</i>		<i>Area in Acres</i>	
	<i>Interest</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>
Seychelles A, B and C	75.00%	14,964 km ²	11,223 km ²	3.7 million	2.8 million
Ethiopia	30.00%	46,410 km ²	13,923 km ²	11.5 million	3.4 million
Kenya 10A	20.00%	14,747 km ²	2,949 km ²	3.6 million	0.7 million
Kenya 01	50.00%	31,850 km ²	15,925 km ²	7.9 million	3.9 million
Kenya L17/L18	65.00%	4,905 km ²	3,149 km ²	1.2 million	0.8 million
Madagascar	40.00%	14,900 km ²	5,960 km ²	3.7 million	1.5 million
		<u>127,776 km²</u>	<u>53,129 km²</u>	<u>31.6 million</u>	<u>13.1 million</u>

Black Marlin is not currently producing. Black Marlin's audited income statement for the financial year ended 31 December 2009 (prior to the 19 March 2010 closing of the reverse takeover of Black Marlin Energy Limited by Kristina Capital Corporation) indicated a deficit of C\$6,574,010.

Note 13 to the unaudited interim financial statement for Black Marlin for the three months to 31 March 2010 contained in Part 7 of the Prospectus, which is incorporated by reference into this Document, indicates the value of Black Marlin's seismic investments as reflected in such financial statements as being US\$11,113,252 as at 31 March 2010.

Black Marlin will initially be held as a wholly owned East African business unit, with the prospect of unlocking further East African opportunities. Key management, who have entered into irrevocable undertakings, have agreed to a one year lock-up on the New Ordinary Shares they will receive in exchange for their Black Marlin share-options.

4. Background to, and reasons for, the Acquisition

The Acquisition is consistent with Afren's pan-African strategic objective of seeking to deliver growth both organically and through acquisitions to enhance shareholder value and represents a compelling strategic entry into East Africa. The acquisition will bring together two portfolios that offer a complementary fit, providing a balanced exposure across the full E&P value cycle of production, development, appraisal and exploration. Black Marlin's portfolio of assets represents an attractive, multi-country entry position in East Africa, a region that has emerged as an exploration province of global interest following recent significant discoveries across the region.

In particular, the Acquisition:

- broadens Afren's exploration portfolio with high impact exploration interests focused on rift basins in Ethiopia, Kenya, Madagascar and the Seychelles;
- is expected to increase Afren's net prospective resources base in high impact rift basins;
- enhances geological and geographical diversification, creating a pan African independent E&P of scale;
- adds six exploration wells, expected to be drilled through 2012;

- delivers a complementary portfolio extension and high growth reinvestment opportunities to leverage Afren's significant production and revenue growth; and
- strengthens Afren's technical management team via the retention of Black Marlin personnel and is expected to unlock further East African opportunities.

The 12 assets cover a large surface area of 127,776 square kilometres on a gross basis, and are all located in basins with proven or strong evidence of working hydrocarbon systems. The portfolio is focused on basins associated with Mesozoic rifting phases associated with the break up of Gondwanaland, all of which share a common origin, including source rocks and reservoirs, with basins that are productive today (Mughlad Basin in Sudan, Bombay High and Cambay High in India, Yemen, Tanzania, Mozambique and Uganda). A number of prospects have already been defined to date across the acreage, where the potential also exists to establish new hydrocarbon plays and further large scale resource bases.

5. Current trading and prospects

Afren

Production

Gross production from Okoro for the period to 30 June 2010 was 3,229,178 bls (average gross 17,841 bopd). Two infill wells are planned at Okoro that are expected to add gross incremental production of between 3,000 bopd to 5,000 bopd over the second half of 2010. Average gross production and NGL output from CI-11 and the associated Lion Gas Plant for the 6 month period to 30 June 2010 was 6,481 boepd.

Development

Afren's Ebok development commenced in December 2009 and is on schedule. The wellhead support structure was installed at the field in March 2010, and the drilling rig is on location and drilling ahead. The initial development phase consists of six horizontal production wells and one water injection well. First oil is expected in the fourth quarter of 2010.

In January 2010, production, processing and storage facilities for the Ebok development were contracted. A tanker owned by Mercator, a major Indian shipping company, is being converted into a floating storage offloading vessel ("FSO"). The vessel has been designed with a storage capacity of 1.2 million barrels and will be spread-moored near a mobile offshore production unit ("MOPU"), which is currently being refurbished and upgraded. The FSO vessel and MOPU will be leased to the Ebok development over an initial seven year period at a rate of US\$98,092 per day, with an option to extend.

Future development phases will target the West Fault Block (Phase 2 incorporating the installation of an additional dedicated wellhead platform (WHP) and six development wells tied back to the central MOPU and FSO facilities), the upside potential established in the Southern Lobe (Ebok 6), full development of the D1 reservoir in the Central Fault Block 1 and Fault Block 2 area of the field and any other commercial reserve additions from the exploration and appraisal drilling activity.

In March, an additional contract was signed for a jack up drilling unit to undertake planned drilling across the Company's assets offshore in shallow water south-east Nigeria. The contract is for a duration of up to 210 days and was agreed at a day rate of US\$84,000.

Exploration and appraisal

In January 2010, the Company announced the acquisition of an interest in the OML 115 block, which surrounds the Ebok and Okwok discoveries. On 15 July 2010, Afren announced that terms have been agreed to acquire Energy Equity Resources Oil and Gas' residual interest in OML 115. An exploration well on OML 115 is also planned for the second half of 2010.

In addition, an appraisal well is planned on the Okwok discovery in the second half of 2010 to confirm and define commercial development requirements of the field.

An exploration well is also planned at OPL 310. The block is located offshore south-west Nigeria. An electro-magnetic survey is currently underway on the block. One exploration well is also scheduled at the Keta Block in Ghana during the first half of 2011.

Financial position

In March 2010, Afren entered into a debt facility agreement for up to US\$450 million, which is secured against Afren's share of production from the Ebok field. The facility will provide up to US\$450 million of reserves based lending and has a maturity up to five years, is repayable semi-annually and has a margin of between 4.0 per cent. and 5.5 per cent. over LIBOR. The facility will be available to be used for development of the Ebok, Okwok and OML 115 areas, offshore south-east Nigeria.

Afren's net debt/(cash) at 30 June 2010 was US\$12.2 million.

Black Marlin

On 31 May 2010 Black Marlin published its unaudited quarterly results on SEDAR, for the three months to 31 March 2010. These results indicate that Black Marlin has generated revenue of US\$123,346 from its seismic acquisition services division for the three month period ending 31 March 2010. It also indicates that investments during three months period ending 31 March 2010 in various exploration properties amounting to US\$742,880. However, accumulated investment in all exploration properties as of 31 March 2010 amounted to US\$11,113,252, in addition to an investment of US\$1,941,793 in seismic data in Seychelles.

In the second quarter of 2010, Black Marlin's seismic business in UPSL was subject to delays in extracting equipment out of Djibouti port due to adverse weather conditions, which resulted in crew and equipment being placed on standby. This exceptional event has contributed to an increase in operating expenses and a decrease in Black Marlin's current assets during the second quarter of 2010 by approximately US\$4.7 million and an increase in its net loss position (arising as a result of the payment of the expenses incurred, advances paid and payments made for increases in investment) during the second quarter of 2010 by approximately US\$4.34 million.

In addition, following completion of the Acquisition, Afren intends to undertake a strategic review of the seismic business contained in UPSL, such that it will be divested in a manner to be determined by Afren and on transaction terms and at a valuation acceptable to Afren.

This Document incorporates by reference from the Prospectus the most recently published financial statements for Black Marlin, being its 31 March 2010 interim financial statements. However, until completion of the Acquisition, to comply with its obligations as a TSXV listed company, Black Marlin will continue to periodically update the market with further interim financial information on SEDAR as and when such information is available and ready for publication. Black Marlin intends to publish its interim financial statements for the quarter to 30 June 2010 by no later than 30 September 2010, which will be available for review on www.sedar.com. Shareholders should therefore monitor updates in this regard.

6. Financial effects of the Acquisition

Unaudited pro forma financial statements showing the expected impact of the Acquisition on the assets, liabilities and earnings of Afren are set out in Part 8 of the Prospectus and are incorporated by reference in this Document.

This unaudited pro forma financial information has been prepared to illustrate the effect on the Group's consolidated balance sheet of the Acquisition and the Share Issue as if they had been completed on 31 December 2009 and on the Group's Profit and Loss as if the transaction had occurred on 1 January 2009. The accounting policies used in the preparation of the unaudited pro forma financial information are consistent with those to be used by Afren in the audited consolidated financial statements as at 31 December 2010.

Black Marlin holds exploration assets, and a seismic business (UPSL), and no producing assets. Therefore the pro forma impact of the transaction would have been to increase total assets, total liabilities and equity. The pro forma impact of the transaction on Afren's 31 December 2009 income statement would have been to increase the loss for the year.

7. Dividend Policy

The Directors do not expect that Afren will pay any dividends in the foreseeable future, and in any event until such time as it is prudent to do so, having regard to the level of revenue generated by the Group's operations and the retained earnings to fund its operations and exploration and development programmes. For the foreseeable future, any earnings will be reinvested in developing the businesses of the Group.

8. Arrangement Agreement

Black Marlin and Afren have entered into the Arrangement Agreement which provides, amongst others, for the implementation of the Acquisition by way of the Scheme and which contains assurances and confirmations between the parties, including provisions to implement the Scheme on a timely basis and governing the conduct of the businesses of Black Marlin during the period prior to the Acquisition becoming Effective.

Under the Arrangement Agreement, Black Marlin is required to prepare its shareholder circular, which must comply with all applicable laws and include the unanimous recommendation of the Black Marlin directors that the Black Marlin Shareholders vote in favour of the Acquisition.

The Arrangement Agreement sets out the covenants of both parties including those relating to Black Marlin's conduct of business and its performance of certain actions in connection with the Scheme and to the performance by Afren of other general obligations, such as applications for requisite regulatory consents. The Acquisition is conditional on certain conditions which are customary for a transaction of this nature, including the sanction of the Scheme by Court Order and obtaining the Requisite Approval at the Shareholder Meeting and the approval of the Afren Shareholders.

The Arrangement Agreement also contains certain non-solicitation provisions, pursuant to which Black Marlin provides to Afren covenants not to solicit any offer, proposal or inquiry relating to a merger or take-over of Black Marlin or any of its subsidiaries. However, under the Arrangement Agreement, in the event that Black Marlin receives an unsolicited superior offer, Afren has the right to amend the terms of the Arrangement Agreement and the board of Black Marlin is obliged to review such proposed amendments in good faith, to determine whether the superior offer is still preferable to the proposed amended Arrangement Agreement. The Arrangement Agreement contains various provisions which govern the options available to Black Marlin in such an event, which include, but are not limited to, termination, subject to payment of a break fee (as discussed below).

The Arrangement Agreement may be terminated in certain circumstances including (amongst others) if the conditions to the agreement become incapable of being satisfied (other than as a result of breach by the terminating party), breach of the agreement by either party, where the Black Marlin Board has withdrawn, modified or qualified adversely its recommendation and approval for the Acquisition where Black Marlin has entered into a binding agreement with regard to a superior proposal, the scheme fails to become effective by 31 December 2010 (or such later date as the parties may agree), cancellation of the Black Marlin meeting, failure to receive the required shareholder approvals or by the written agreement of both parties.

Further details of the Arrangement Agreement are set out in Paragraph 6.3 of Part 3 and in Paragraph 13.7 of Part 10 of the Prospectus.

Break fee arrangement

The Arrangement Agreement provides that Black Marlin shall pay Afren or procure that Afren is paid a break fee of US\$4,000,000 ("**Break Fee**") where the Agreement is terminated in the circumstances summarised below and payment shall be made within two (2) business days.

- Afren or Black Marlin terminates the Arrangement Agreement in circumstances where the Black Marlin Shareholder resolution(s) required to implement the Acquisition do not receive the Requisite Approval in circumstances where a competing acquisition proposal (as defined in the Arrangement Agreement) from another bidder is received prior to such Shareholder Meeting and within 12 months of termination of the Arrangement Agreement an acquisition of more than 50 per cent. of the

consolidated assets or issued share capital of Black Marlin completes or Black Marlin enters into an agreement providing for the foregoing;

- Afren terminates the Arrangement Agreement in circumstances where Black Marlin has not complied with the non-solicitation provisions contained in the Arrangement Agreement or in circumstances where there has been wilful or intentional breach by Black Marlin of its covenants under the Arrangement Agreement;
- Afren terminates the Arrangement Agreement in circumstances where the Black Marlin Board has withdrawn, modified or qualified adversely its recommendation and approval for the Acquisition, approved or recommended a competing acquisition proposal or entered into a binding agreement in relation to such a proposal, or failed to publicly recommend or re-affirm its recommendation within five business days of a request to do so by Afren after a competing acquisition proposal is made or any person publicly announced an intention to make a competing acquisition proposal;
- Black Marlin terminates the Arrangement Agreement in order to enter into a written agreement with regard to a superior competing acquisition proposal; or
- Afren terminates the Arrangement Agreement in circumstances where the Shareholder Meeting is meeting has been cancelled, postponed or adjourned by Black Marlin in breach of its obligations under the Arrangement Agreement.

Where the Arrangement Agreement is terminated by either Black Marlin or Afren in circumstances where the Acquisition did not receive the Requisite Approval at the Shareholder Meeting or in circumstances where Afren terminates the Arrangement Agreement if certain conditions become incapable of being satisfied as a result of any breach by Black Marlin of any of its covenants under the Arrangement Agreement (other than wilful or intentional breach), Black Marlin shall pay to Afren up to a maximum of US\$2,000,000 within two business days of such termination.

Where the Arrangement Agreement is terminated by either Black Marlin or Afren in circumstances where the Acquisition is not approved by Afren Shareholders at the Afren General Meeting or in circumstances where Black Marlin terminates the Arrangement Agreement either where the Black Marlin Shareholder resolution(s) to implement the Acquisition does not receive the Requisite Approval or if certain conditions become incapable of being satisfied as a result of any breach by Afren of any of its covenants under the Arrangement Agreement (other than a wilful or intentional breach), Afren shall pay to Black Marlin up to a maximum of US\$2,000,000 within two business days of such termination.

The Arrangement Agreement may be terminated in certain circumstances including (amongst others) if the conditions to the Arrangement Agreement become incapable of being satisfied (other than as a result of breach by the terminating party), breach of the Arrangement Agreement by either party, where the Black Marlin Board has withdrawn, modified or qualified adversely its recommendation and approval for the Acquisition or Black Marlin has entered into a binding agreement with regard to a superior proposal, the scheme fails to become effective by 31 December 2010 (or such later date as the parties may agree), failure to receive the required approvals or by the written agreement of both parties.

9. Irrevocable Undertakings

The Black Marlin Directors and officers have undertaken to vote in favour of the resolutions to be proposed at the Black Marlin Shareholder Meeting relating to the Acquisition pursuant to certain voting and support agreements in respect of their own beneficial holdings of 7,918,750 Black Marlin Shares representing, in aggregate, approximately 3.91 per cent. of the existing issued share capital of Black Marlin.

Certain other Black Marlin shareholders who hold a total of 103,988,733 Black Marlin Shares representing, in aggregate, 51.35 per cent. of the existing share capital of Black Marlin (on a non-diluted basis) have also entered into similar voting and support agreements with Afren, whereby such Black Marlin Shareholders have undertaken to vote in favour of the resolutions to be proposed at the Black Marlin Shareholder Meeting. The voting and support agreements can be terminated by the Black Marlin Shareholders when the

Arrangement Agreement is terminated (which includes the circumstance of Black Marlin terminating the Arrangement Agreement to enter into a binding commitment in relation to a superior proposal).

10. Directors, management and employees of Black Marlin

Afren attaches great importance to the skills and experience of the existing management and employees of Black Marlin. Afren believes that the Enlarged Group's prospects for growth should lead to increased employment opportunities. Further details of certain key members of Black Marlin's management team are set out below:

Richard Schmitt (President and CEO)

Richard Schmitt holds a B.Sc. in Geological Sciences from the University of Aston in Birmingham, England. Richard has over 32 years of international experience in the upstream oil and gas industry with expertise in exploration, exploitation, operations and new ventures. He has managed and developed projects in Yemen and was Occidental's President and General Manager in Yemen for 5 years. Prior to his current role, Richard was President and CEO of Africa Oil Corp.

Barrington Rogers (COO)

Barry Rogers is the Chief Operating Officer of Black Marlin. He is a geologist and geophysicist with 35 years experience in the oil and gas industry. He has worked at BP and Enterprise Oil, the latter in the Europe, Africa and South-East Asia business units and with smaller independent oil and gas companies in the Middle East. Barry oversees the continuing exploration of Black Marlin's acreage position throughout East Africa.

Mike Watson (UPSL – Chief Operating Officer)

Mike Watson is a graduate in Electronic engineering with 15 years experience in the seismic exploration industry. Mike started his career with Geophysical Services Incorporation (GSI) in the 3D multi streamer offshore data acquisition sector. This was followed by employment periods with A&B Geoscience (Canada) and SeaBird Exploration (Norway) over the past five years.

Eddie Harney (HSE Manager)

Eddie Harney has been involved in the industry for over 18 years. He has previously worked offshore for Western Geophysical (WesternGeco) in several roles culminating in a five year period on a number of multi-streamer vessels. Eddie has also worked offshore for Seabird Exploration and more recently for Seabird Exploration in the role of Operations Manager.

Jeremy Martin (Country Manager, Kenya)

Jeremy Martin holds a B.Sc Hons. in Geology from the Sir John Cass School of Geology in London and has 20 years of oil industry experience. Following Sandhurst and a short service commission with the British Army, he spent 6 years with the DTC in Angola and Zaire. In 1989 Jeremy joined Enterprise Oil for its operations in Vietnam. He then became Country Manager for Premier Oil in Cambodia followed by various roles in the Bay of Cambay, India and the Delta Region, Nigeria. Prior to joining Black Marlin, Jeremy managed the exploration activities for Madagascar Oil.

Terence Nilsen (Senior Geophysicist)

Terence Nilsen is the Chief Explorationist of East African Exploration Limited, a wholly owned subsidiary of Black Marlin. He has a B.Sc. Honours (Geology) from University of Western Australia (1985). Terence has over 20 years in the Oil & Gas business. Terence's expertise is in basin to field scale geophysical and geological interpretation.

11. Implementation of the Scheme and De-listing of Black Marlin Shares

It is intended that the Acquisition will be effected by means of a scheme of arrangement between Black Marlin and the Scheme Shareholders pursuant to section 179A of the BVI BCA. The procedure involves an application by Black Marlin to the Court to sanction the Scheme.

The Scheme will be subject to the Conditions and the full terms and conditions which are summarised in paragraph 5 of Part 3 of the Prospectus.

The Acquisition is conditional upon, amongst other things:

- an application by Black Marlin to the Court to order a meeting of the Black Marlin Shareholders to consider, and if thought appropriate, approve the Scheme (“**Interim Order**”);
- approval of the Scheme by (i) a majority in number of Black Marlin Shareholders who are present and vote, either in person or by proxy, at the Shareholder Meeting (or any adjournment thereof) and who represent 75 per cent. or more in value of the Black Marlin Shares voted by such Black Marlin Shareholders, and (ii) the separate approval of the Scheme by a simple majority of the Black Marlin Shareholders present in person or by proxy in such shareholder meeting, excluding the 7,918,750 votes attached to the Black Marlin Shares owned by, or over which control or direction is exercised by, directors and officers who have entered into option exchange agreements with Afren and Black Marlin, representing approximately 3.91 per cent. of the issued and outstanding Black Marlin Shares (both such approvals, together the “**Requisite Approval**”);
- approval of the Acquisition by Afren Shareholders at the Afren General Meeting; and
- a Court hearing (“**Court Hearing**”) at which the Court will be asked to make an Order sanctioning the Scheme (“**Court Order**”).

Following implementation of the Scheme, Black Marlin will become a wholly-owned subsidiary of Afren.

The Scheme will only become effective following the Court Hearing on filing with the Registrar of Corporate Affairs the Court Order. Upon the Scheme becoming effective, it will be binding on all Black Marlin Shareholders, irrespective of whether or not they attended or voted at the Shareholder Meeting.

The holders of Black Marlin Options (“**Black Marlin Options**”) (other than RAKGAS International FZ) have agreed that all the Black Marlin Options that remain unexercised at the Effective Time shall be cancelled by Black Marlin and exchanged for that number of New Ordinary Shares of equivalent value as set out in an option exchange agreement executed by each holder of Black Marlin Options. A total of 18,832,500 such options valued at £2,632,782 at 28 May 2010 will be exchanged for 2,924,328 Afren Shares (the calculation of such number of Afren Shares being based on the 20 day volume weighted average price for the Afren Shares on the London Stock Exchange as of 28 May 2010).

In addition, one million Black Marlin Options held by RAKGAS International FZ valued at £66,270 as at 28 May 2010 that remain unexercised at the Effective Time will be exchanged for, and will represent, 364,702 stock options in Afren with an exercise price of C\$1.37 as set out in an option rollover agreement between Afren and RAKGAS International FZ and as determined based on the exchange ratio in accordance with the exchange ratio and the terms of the existing option agreement between RAKGAS International FZ and Black Marlin and for which no additional consideration was paid.

The holders of common share purchase warrants of Black Marlin (the “**Warrants**”) have agreed that the Warrants that have not been exercised prior to the Effective Time shall be cancelled by Black Marlin and each holder thereof shall cease to have any rights with respect thereto. The Warrant holder will not receive any compensation for such termination.

The formal documentation setting out details of the Acquisition, including the Scheme Document setting out the procedures to be followed to approve the Scheme and the disclosure relating to Afren and the New Ordinary Shares, is being posted to Black Marlin Shareholders.

12. Risks relating to the Acquisition

The key risks associated with the Acquisition are set out below:

The Acquisition is subject to a number of conditions which may not be satisfied or waived

The implementation of the Scheme is subject to the satisfaction (or waiver, where applicable) of a number of conditions, including:

- approval of the Scheme and the related resolutions by the requisite majorities of the Black Marlin Shareholders; and
- sanction of the Scheme by the Court at the Court Hearings.

Additionally, as the Acquisition has been classified as a class 1 transaction for the purpose of the Listing Rules, the Acquisition will also require the approval of the Afren Shareholders. There is no guarantee that these (or other conditions) will be satisfied (or waived, if applicable), in which case the Acquisition will not take effect.

A third party may be able to obtain a large enough shareholding in Black Marlin to delay or prevent completion of the Acquisition

Black Marlin is a listed entity whose common shares are freely traded on the TSXV. It is possible that an existing or new shareholder with significant shareholding in Black Marlin could use, or could threaten to use, its shareholding to vote against the Acquisition when shareholder consent is sought. Such an action could materially delay or prevent the implementation of the Acquisition and therefore deprive the parties of some or all of the anticipated benefits of the Acquisition.

The market value of listed securities may fluctuate and may not reflect the underlying asset value of Afren or, following completion of the Acquisition, the Enlarged Group

Prospective investors should be aware that the value of an investment in the Enlarged Group may go down, as well as up. The market value of the Ordinary Shares can fluctuate and may not always reflect the underlying asset value. A number of factors outside the control of the Enlarged Group may impact on its performance and the price of the Ordinary Shares. Such factors include the operating and share price performance of other companies in the industry and markets in which the Enlarged Group operates, speculation about the Enlarged Group's business in the press, media or investment community, changes to the Enlarged Group's trading forecasts, the publication of research reports by analysts and general market conditions.

Ownership reduction

Since the Acquisition is to be effected by means of a Scheme under which Black Marlin Shareholders will be offered New Ordinary Shares once the Acquisition becomes effective, existing Afren Shareholders will suffer a reduction in their proportionate ownership and voting interest in the ordinary share capital of Afren.

If the Acquisition completes, the integration of Black Marlin and its subsidiaries could result in operating difficulties and other adverse consequences

If the Acquisition completes, the process of integrating Black Marlin and its subsidiaries may create unforeseen operating difficulties and expenditures and pose management, administrative and financial challenges. Specifically, integrating operations and personnel and pre-completion or post-completion costs may prove more difficult and/or expensive than anticipated, thereby rendering the value of the Acquisition less than the value paid. The integration of the Acquisition may require significant time and effort on the part of Afren and, if the Acquisition completes, the Enlarged Group's management. The challenges of integrating Black Marlin may also be exacerbated by differences between Afren's and Black Marlin's operational and business culture, the need to implement unpopular cost cutting measures, difficulty in maintaining internal controls and difficulty in establishing control over cash flows and expenditures. While Afren has successfully completed the integration of the businesses it has acquired thus far, it could experience difficulties in

integrating Black Marlin successfully, which could have an adverse effect on Afren's and, if the Acquisition completes, the Enlarged Group's financial condition and results of operations.

A number of the joint operating agreements ("JOAs") to which Black Marlin is party contain a change of control provision, which is likely to be triggered by the Acquisition, giving the counterparties to such JOAs a right of first refusal over Black Marlin's participating interest under the corresponding production sharing contract

The JOAs relating to the Black Marlin's assets in Ethiopia, Kenya and the Seychelles each contain a change of control provision, pursuant to which the other parties to the JOAs shall have the right to acquire the participating interest of the party who is subject to the change of control. The value to be paid for such participating interest is determined in accordance with the provisions of the respective JOA, which includes the need for an independent expert valuation in the event of any dispute. The JOAs are based on the standard Association of International Petroleum Negotiators (AIPN) JOA, which contains this right of first refusal language. None of the corresponding production sharing contracts contains a similar right of first refusal provision.

In the event that the counterparties to the relevant JOAs elect to exercise their right of first refusal following the Acquisition, it is possible that Black Marlin will be obliged to transfer its participating interest in the corresponding production sharing contract and it is possible, therefore, that the Enlarged Group (if the Acquisition completes) will not (i) hold the participating interests in these blocks, which range from 30 to 75 per cent. of the blocks; and (ii) if any such blocks are found to have hydrocarbons the commercial extraction of which is economically viable, will not then benefit from such production. Although Black Marlin has undertaken in the Arrangement Agreement to use commercially reasonable efforts to obtain, and assist Afren in obtaining, waivers in relation to these pre-emption rights and although at the date of the Prospectus, the Group is not aware of any counterparty to the relevant JOAs having elected to exercise its right of first refusal, if exercised, these rights of first refusal are material in the context of completion of the Acquisition and, taken together, if exercised could negate the benefits of the Acquisition as set out above.

13. General Meeting

The notice convening the Afren General Meeting to be held at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom, on 21 September 2010 at 11.00 a.m. is set out at the end of this Document. The purpose of the meeting is to approve the Resolution in connection with the Acquisition. A summary of the Resolution is set out below.

The implementation of the Acquisition is conditional upon the passing of the Resolution set out in the notice.

The Resolution is to approve the Acquisition and to authorise the Board to make such non-material waivers and extensions and amendments or variations to the terms and conditions of the Acquisition and to do all things as it considers necessary or expedient in connection with the Acquisition.

The full text of the Resolution is set out in the notice convening the Afren General Meeting at the end of this Document. In the event that the Resolution is not passed, the Acquisition will not proceed.

14. Action to be taken

You will find enclosed with this Document a Form of Proxy for use at the Afren General Meeting or at any adjournment thereof. You are requested to complete and sign the Form of Proxy whether or not you propose to attend the Afren General Meeting in person in accordance with the instructions printed on it and return it as soon as possible, but in any event so as to be received no later than 11.00 a.m. on 17 September 2010, by the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or at the electronic address provided on the proxy form which is www.eproxyappointment.com.

CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the notice convening the General Meeting at the end of this Document. The lodging of the Form of Proxy (or the electronic appointment of a proxy) will not preclude you from attending and voting at the meeting in person if you so wish.

15. Further Information

Your attention is drawn to the further information set out in Parts 2, 3 and 4 of this Document. You should also read the Prospectus in whole and, in particular, the risk factors set out in the section headed “Risk Factors” on pages 11 to 30 of the Prospectus.

16. Recommendation

The Board, which has received financial advice from CIBC, considers that the Resolution is in the best interests of the shareholders of Afren and the Afren Shareholders as a whole. In providing advice to the Board, CIBC has taken into account the Board’s commercial assessments of the Acquisition.

Accordingly, the Board unanimously recommends that Afren Shareholders vote in favour of the Resolution to be put to the Afren General Meeting as they intend to do in relation to their own individual holdings which amount in total to 12,698,320 Afren Shares, representing approximately 1.42 per cent. per cent, of the existing issued share capital of Afren as at 23 August 2010, the latest practicable date prior to publication of this Document.

Yours faithfully,

Egbert Imomoh
Chairman

PART 3

ADDITIONAL INFORMATION

1. Responsibility

The Afren Directors, whose names appear on page 5 of this Document accept responsibility for the information contained and incorporated by reference in this Document. To the best of the knowledge and belief of the Afren Directors (who have taken all reasonable care to ensure that such is the case) the information contained and incorporated by reference in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Working Capital

The Company is of the opinion that, taking account of available facilities and existing cash resources, the working capital available to the Enlarged Group is sufficient for its present requirements, that is, for at least the twelve months following the date of the publication of this Document.

3. No Significant Change

Save in relation to the change in Black Marlin's current asset position and its net loss position as a result of higher than anticipated operating expenses in the UPSL seismic business described under the heading "Black Marlin" in Section 5 of the Chairman's Letter set out in Part 2 of this Document, there has been no significant change in the financial or trading position of Black Marlin since 31 March 2010, being the date to which the latest unaudited interim financial information incorporated by reference from the Prospectus to this Document has been compiled. The changes arose as a result of adverse weather conditions which affected Black Marlin's seismic businesses in UPSL. These exceptional circumstances resulted in increased operating expenses contributing to an increase in the net loss position during the second quarter of 2010 by approximately US\$4.34 million and a decrease in Black Marlin's current asset position during the second quarter of 2010 by approximately US\$4.7 million as described under the heading "Black Marlin" in Section 5 of the Chairman's Letter in Part 2 of this Document.

4. Incorporation by Reference

The following sections of the Prospectus are incorporated by reference into this Document:

<i>Information on Afren</i>	<i>Sections of the Prospectus Information incorporated by reference into the Circular</i>	<i>Page number</i>
Risk factors relating to the Oil and Gas industry, Afren's and, if the Acquisition completes, the Enlarged Group's business, an investment in Afren's Ordinary Shares and the Acquisition	Risk Factors	11-30
Afren's address	Directors, Secretary and Advisers	31-32
Trend information	Paragraph 14 of Part 5 Operating and Financial Review	125-126
Details of the Afren Directors' interests in Ordinary shares	Paragraph 7 of Part 10 Additional Information	179-180
Service contracts, letters of appointment and advisors' consultancy agreements	Paragraph 8 of Part 10 Additional Information	182-184
Significant Shareholders in Afren	Paragraph 11 of Part 10 Additional Information	190-191

<i>Information on Afren</i>	<i>Sections of the Prospectus Information incorporated by reference into the Circular</i>	<i>Page number</i>
Related party transactions	Paragraph 25 of Part 10 Additional Information	218
Details of material contracts	Paragraph 13 of Part 10 Additional Information	191-195
Details of litigation	Paragraph 12 of Part 10 Additional Information	191
<i>Information on Black Marlin</i>	<i>Sections of the Prospectus Information incorporated by reference into the Circular</i>	<i>Page number</i>
The significant change statement of Afren	Paragraph 18 of Part 10 Additional Information	213
Risk factors relating, if the Acquisition completes, to the Enlarged Group's business	Risk Factors	20-28
Historical Financials on Black Marlin Energy Limited	Part 6 Historical Financials on Black Marlin Energy Limited	127-141
Unaudited Financial Information (incorporated by reference pursuant to LR 13.5.30 and LR 13.5.27)	Part 7 Unaudited Interim Financial Information on Black Martin	142-151
Competent Person's Report	Part 12 GCA Report on Black Marlin	311-367
	Part 13 McDaniel Report on Black Marlin	368-405
Details of litigation	Paragraph 12 of Part 10 Additional Information	191
Details of material contracts	Paragraph 14 of Part 10 Additional Information	195-200
<i>Pro Forma Information</i>		
Pro forma statement of the Enlarged Group	Part 8 Unaudited Proforma for the Enlarged Group	152-159
<i>Other</i>		
Settlement	Paragraph 6.6 of Part 3 Summary of the Acquisition	95-96
Glossary of Technical Terms	Glossary	413-416

5. The New Ordinary Shares

The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares in issue at the time the New Ordinary Shares are issued pursuant to the Acquisition. The

New Ordinary Shares will be created under the Companies Act and the legislation made thereunder, will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

The New Ordinary Shares will not be, and are not required to be, registered with the SEC under the Securities Act, in reliance on the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) of the Securities Act.

No prospectus has been filed with the securities regulatory authorities of any Canadian province or territory with respect to the New Ordinary Shares. The New Ordinary Shares will not be offered or sold in Canada other than to Black Marlin Shareholders in reliance on an exemption from the prospectus and registration requirements of the applicable province or territory of Canada pursuant to sections 2.11 and 3.11 of NI 45-106.

6. Authorisations and Consents

GCA, whose address is Bentley Hall, Blacknest, Alton, Hampshire. GU34 4PU, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Document of references to its name and to the incorporation by reference of its report set out in Part 12 of the Prospectus, in the form and context in which they appear.

McDaniel, whose address is 255 5th Avenue S.W., Ste. 2200, Calgary, AB T2P 3G6, Canada, has given and has not withdrawn its written consent to the inclusion in this Document of references to its name and to the incorporation by reference of its report set out in Part 13 of the Prospectus, in the form and context in which they appear.

BDO, whose address is Suite 305, Al Futtaim Tower Al Maktoum Street, Deira, Dubai UAE, has given and has not withdrawn its written consent to the inclusion in this Document of references to its name and to the incorporation by reference of its reports set out in Part B of Part 6 and Part C of Part 7 of the Prospectus, in the form and context in which they appear.

Deloitte, whose address is 2 New Street Square, London EC4A 3BZ, United Kingdom, has given and has not withdrawn its written consent to the incorporation by reference of its report relating to the unaudited pro forma financial information set out in Part B of Part 8 of the Prospectus in this Document for the purposes of paragraph 13.4.1R(6) of the Listing Rules.

Merrill Lynch International, whose address is Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which they appear.

CIBC World Markets, whose address is Cottons Centre, Cottons Lane, London SE1 2QL, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which they appear.

7. Documents available for inspection

Copies of the following documents will be available for inspection at the head office of Afren at Kinnaird House, 1 Pall Mall East, London SW1Y 5AU and at the offices of White & Case LLP at 5 Old Broad Street, London EC2N 1DW during normal business hours on each Business Day from the date of this Document up to and including the date of Admission:

- (A) the memorandum of association and Articles of Afren;
- (B) the audited consolidated accounts of Black Marlin Energy for the three financial years ended 31 December 2009, 31 December 2008, and 31 December 2007 and accountant's report in respect thereof;
- (C) the unaudited interim financial information on Black Marlin for the three months ended 31 March 2010 and reconciliation statement and accountant's report in respect thereof;

- (D) the unaudited pro-forma financial information for the Enlarged Group and accountant's report in respect thereof;
- (E) the GCA Report;
- (F) the McDaniel Report;
- (G) the consent letters relating to the documents listed at (B) to (F) above;
- (H) the Prospectus;
- (I) the Arrangement Agreement; and
- (J) the Scheme Document.

They will also be available for inspection at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom, from at least 15 minutes prior to the Afren General Meeting until the conclusion of that meeting.

Dated: 24 August 2010.

PART 4

DEFINITIONS

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

“2006 Act”	the Companies Act 2006, as amended
“Articles”	the articles of association of Afren
“Acquisition”	the acquisition of Black Marlin by Afren to be implemented by way of the Scheme, pursuant to the terms of and subject to the conditions in the Arrangement Agreement
“Afren”	Afren plc
“Afren Shareholders”	holders of Ordinary Shares
“Arrangement Agreement”	the agreement dated 2 June 2010 between Afren and Black Marlin setting out the terms and conditions of, and the arrangements for the implementation of the Acquisition as amended by an amended and restated arrangement agreement between the same two parties dated 11 August 2010, summarised in Part 10 of the Prospectus
“BDO”	BDO Chartered Accountants & Advisors, which is a civil company operating under a professional license issued by the Government of Dubai and the United Arab Emirates Ministry of Economy
“Black Marlin”	Black Marlin Energy Holdings Limited and its subsidiary undertakings from time to time
“Black Marlin Energy”	Black Marlin Energy Limited
“Black Marlin Shareholders”	holders of Black Marlin Shares
“Black Marlin Shares”	the ordinary shares without par value in the capital of Black Marlin
“Board”	the board of directors of Afren from time to time including a duly constituted committee thereof
“Break Fee”	defined in Part 2
“BVI”	British Virgin Islands
“BVI BCA”	British Virgin Islands Business Companies Act, 2004 (as amended)
“Circular”	this document
“Company” or “Afren”	Afren plc
“Court”	the Commercial Division of the High Court of Justice of the Eastern Caribbean Supreme Court of the BVI
“Court Hearing”	defined in Part 2
“Court Order”	defined in Part 2
“CREST”	the relevant system (as defined in the Uncertified Securities Regulations 2001 (SI 2001 No. 3755) operated by CRESTCo Limited
“Deloitte”	Deloitte LLP
“Disclosure and Transparency Rules”	the Disclosure and Transparency Rules as published by the FSA

“Directors”	the directors of Afren, whose names are set out on page 5 of this Document
“Document”	this Circular
“Ebok” or “Ebok (OML67)”	the Ebok field located in OML 67
“Effective”	the Scheme having become effective pursuant to its terms
“Effective Date”	the date of which the Acquisition becomes effective, which is expected to be 8 October 2010
“Enlarged Group”	the Group following completion of the Acquisition of Black Marlin
“FSA”	the UK Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000, as amended
“GBP” or “£”	pound sterling
“GCA”	Gaffney, Cline and Associates Ltd.
“GCA Report”	the report by GCA on Black Marlin set out in Part 12 of the Prospectus
“General Meeting”	The shareholder general meeting convened on 21 September 2010 to approve the Acquisition to which this Circulate relates
“Group”	Afren and its subsidiary undertakings from time to time
“IFRS”	International Financial Reporting Standards as adopted by the European Union
“Interim Order”	defined in Part 2
“LIBOR”	London Interbank Offered Rate
“Lion”	the Lion field located in Block CI-11
“Listing Rules”	the rules and regulations made by the UK Listing Authority pursuant to Part VI FSMA, as amended from time to time
“London Stock Exchange” or “LSE”	London Stock Exchange plc
“McDaniel”	McDaniel & Associates Consultants Ltd.
“McDaniel Report”	the report by McDaniel on Black Marlin set out in Part 13 of the Prospectus
“Merrill Lynch International”	Merrill Lynch International, which is authorised and regulated in the United Kingdom by the FSA and is a member of the London Stock Exchange
“New Ordinary Share Admission”	the admission of the New Ordinary Shares to listing on the Official List becoming effective in accordance with the Listing Rules and admission to trading having been granted and becoming effective on the London Stock Exchange’s market for listed securities
“New Ordinary Shares”	the new ordinary shares of one penny each in the capital of Afren proposed to be issued and credited as fully paid to Black Marlin Shareholders pursuant to the Acquisition
“NI 45-106”	Canadian National Instrument 45-106 – Prospectus and Registration Exemptions
“Official List”	the Official List of the UK Listing Authority

“Okoro” or “Okoro (OML 112)”	the Okoro field located in OML 112
“Okwok” or “Okwok (OML 67)”	the Okwok field located in OML 67
“OPL 310”	Oil Prospecting Licence 310 located in the Niger Delta, offshore Nigeria
“Ordinary Shares”	the ordinary shares of one penny each in the capital of Afren, including the New Ordinary Shares
“p”	Pence
“Prospectus”	Prospectus with respect to the proposed issue of up to 76,776,564 Ordinary Shares in Afren plc in connection with the proposed Acquisition with Black Marlin and application for admission of up to 76,776,564 New Ordinary Shares in Afren plc to the Official List and to trading on the London Stock Exchange’s main market for listed securities dated 24 August 2010
“Prospectus Rules”	the prospectus rules made by the FSA pursuant to Part VI of FSMA
“Regulations”	the Uncertificated Securities Regulations 2001 (including any modification, re enactment or substitute regulations for the time being in force)
“Requisite Approval”	defined in Part 2
“Scheme”	defined in Part 2
“Scheme Document”	the document sent to Scheme Shareholders proposing the Scheme
“Scheme Shareholders”	the holders of Scheme Shares on the register of Black Marlin
“Scheme Shares”	the Black Marlin Shares in issue immediately prior to the Effective Time
“SEC”	US Securities and Exchange Commission
“Securities Act”	the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“SEDAR”	the System for Electronic Document Analysis and Retrieval, a mandatory document filing and retrieval system for Canadian public companies
“Shareholder”	a holder of Ordinary Shares
“Shareholder Meeting”	the meeting of the Scheme Shareholders to be held to consider and, if thought fit, approve the Scheme
“Significant Shareholder”	defined in Part 3
“TSXV”	TSX Venture Exchange
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“United States” or “US” or “USA”	United States of America
“UPSL”	Upstream Petroleum Services Limited
“US\$” or “\$” or “USD”	US dollars
“Warrant”	defined in Part 2

PART 5

NOTICE OF GENERAL MEETING



AFREN PLC

(Incorporated in England and Wales with Registered No. 05304498)

Notice of General Meeting

NOTICE IS HEREBY GIVEN that an General Meeting of the Company will be held at 11.00 a.m. on 21 September 2010 at the offices of White & Case LLP, 5 Old Broad Street, London EC2N 1DW, United Kingdom (“**Notice**”) for the purposes of considering and, if thought fit, passing the following Resolution:

ORDINARY RESOLUTION

1. THAT

the proposed acquisition (“**Acquisition**”) of Black Marlin Energy Holdings Limited (“**Black Marlin**”) to be effected pursuant to a scheme of arrangement (“**Scheme**”) under section 179A of the British Virgin Islands Business Corporations Act 2004 (as amended), substantially on the terms and subject to the conditions summarised in Part 2 of the circular to shareholders of the Company dated 24 August 2010 (“**Circular**”) outlining the Acquisition (a copy of which is produced to the meeting and signed for identification purposes by the chairman of the meeting), including the acquisition of shares in Black Marlin from certain Directors and/or persons related to them, be approved and the Directors (or any duly constituted committee thereof) (“**Board**”) be authorised (1) to take all such steps as the Board considers to be necessary or desirable in connection with, and to implement, the Acquisition (including arrangements in respect of options and warrants granted in relation to Black Marlin securities (“**Black Marlin Shares**”)); and (2) to agree such modifications, variations, revisions, waivers, extensions or amendments to any of the terms and conditions of the Acquisition and/or to any documents relating thereto (provided such modifications, variations, revisions, waivers, extensions or amendments are non-material), as they may in their absolute discretion think fit.

Dated 24 August 2010

Registered office:
Kinnaird House
1 Pall Mall East
London SW1Y 5AU

By Order of the Board
Elekwachi Ukwu
Joint Company Secretary

Notes:

1. The right to attend and vote at the general meeting is determined by reference to the register of members. Only those members registered on the Company's register of members at 6.00 p.m on 17 September 2010 (or, if the general meeting is adjourned, at 6.00 p.m on the day two days prior to the adjourned general meeting), shall be entitled to attend and vote at the general 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 general meeting.
2. A copy of this notice of annual general meeting and other information regarding the general meeting, including information which the Company is required by section 311A of the Companies Act 2006 to publish in advance of the general meeting, can be accessed at www.afren.com.
3. If you wish to attend the general meeting in person, you are requested to bring your admittance pass (which is attached to the Form of Proxy) with you to the meeting. On arrival at the general meeting venue, all those entitled to vote will be required to register. In order to facilitate these arrangements, please arrive at the general meeting venue in good time and have your admittance pass to hand. You will be given instructions on how to complete your poll card/vote on a show of hands at the meeting.
4. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.
5. To be valid, a duly completed proxy form, together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority, must be received by post or (during normal business hours only) by hand at the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or at the electronic address provided on the proxy form which is www.eproxyappointment.com, in each case no later than 11.00 a.m. on 17 September 2010 (or not less than 48 hours before the time fixed for any adjourned meeting, excluding any part of a day that is not a working day).
6. Appointment of a proxy does not preclude you from attending the general meeting and voting in person. If you have appointed a proxy and attend the general meeting in person, your proxy appointment will automatically be terminated.
7. Unless voting instructions are indicated on the proxy form, a proxy may vote or withhold his vote as he thinks fit on the resolutions or on any other business including amendments to resolutions) which may come before the meeting. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for or against a resolution.
8. A member must inform the Company in writing of any termination of the authority of a proxy.
9. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by logging onto www.eproxyappointment.com. You will need to enter the Control Number, Shareholder Reference Number (SRN) and your PIN printed on the proxy form. Full details of the procedure are given on their website. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services PLC no later than at least 48 hours before the general meeting or any adjournment thereof.
10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the general meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than at 11.00 a.m on 17 September 2010. 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 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.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. 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.
14. 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.
15. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.
16. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Services Authority. As a result, any member holding 3 per cent, or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Services Authority.
17. Copies of the service agreements and letters of appointment between the Company and its Directors and a copy of the existing Memorandum and Articles of Association will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) until the date of the meeting and also on the date and at the place of the meeting from 11.00 a.m. until the conclusion of the meeting.

