

Tullow Oil plc

Notice of Annual General Meeting 2008

Notice of Annual General Meeting

Wednesday 14 May 2008, 12 noon

Stationers' Hall, Ave Maria Lane,
London EC4M 7DD

Important

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should contact an appropriate independent adviser immediately. If you have sold or otherwise transferred all of your shares in Tullow Oil plc you should forward this document together with the accompanying form of proxy to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



[Registered in England and Wales No. 3919249]
Registered Office: 3rd Floor, Building 11, Chiswick Park,
566 Chiswick High Road, London W4 5YS

10 April 2008

Dear Shareholder

Annual General Meeting 2008

The Annual General Meeting (AGM) of the Company will be held at Stationers' Hall, Ave Maria Lane, London EC4M 7DD on Wednesday, 14 May 2008 at 12 noon. The Notice convening the AGM is set out on pages 7 to 11 of this circular. A Form of Proxy and a reply paid envelope for use in respect of the meeting are enclosed. A location map is shown on the reverse of the attendance card that detaches from the Form of Proxy. I would like to take this opportunity to give you some information about the resolutions to be considered at the AGM.

Resolution 1 deals with the receipt and adoption of the Accounts for the financial year ended 31 December 2007 and the associated Reports of the Directors and Auditors.

Resolution 2 deals with the declaration of a final dividend of 4.0p per ordinary share which, if approved, will be paid on 21 May 2008 to shareholders on the register of members of the Company on 18 April 2008. Following the interim dividend of 2.0p per share paid on 7 November 2007, this represents an increase of 9% over the total dividends paid in respect of the 2006 financial year.

Resolution 3 invites shareholders to approve the Directors' Remuneration Report for the financial year ended 31 December 2007 which is set out on pages 57 to 66 of the Annual Report.

Resolutions 4 to 8 deal with the re-election of Directors.

David Bamford, Steven McTiernan, Graham Martin and Clare Spottiswoode each retire in accordance with the Articles of Association having been in office for three years since their last re-election and offer themselves for re-election.

As I have now served on the Board for more than nine years, I am retiring and offering myself for re-election at the AGM in accordance with the Combined Code on Corporate Governance.

Following a recent performance review of all Directors, the Board is satisfied that each Director offering himself or herself for re-election has the skills, experience and commitment necessary to contribute very effectively to the deliberations of the Board. The Board therefore unanimously recommends the re-election of the Directors proposed.

Biographical details of the Directors standing for re-election appear in the Appendix on page 4 of this document.

Resolution 9 deals with the re-appointment of Deloitte & Touche LLP as auditors of the Company and the authorisation of the Board to fix their remuneration.

Resolution 10 is to give authority to the Board to allot shares. At last year's Annual General Meeting, the Company gave authority to the Directors to allot shares and other securities, in accordance with section 80 of the Companies

Act 1985, up to a specified amount. The Directors propose to seek shareholder approval for the renewal of this authority at this year's AGM. Resolution 10 will, if approved, renew the Directors' authority to allot unissued share capital until the conclusion of the Annual General Meeting in 2009 or 13 August 2009, whichever is the earlier. The authority to allot is restricted to shares up to an aggregate nominal value of £23,988,878 (representing approximately 33.3% of the Company's issued ordinary share capital on 2 April 2008, the latest practicable date before the date of this Notice). The Company does not currently hold any shares in treasury. The extent of the authority follows the guidelines issued by institutional investors. There are no present plans to allot ordinary shares, other than in respect of employee share schemes.

Resolution 11 is to dis-apply pre-emption rights. Section 89 of the Companies Act 1985 gives all shareholders the right to participate on a pro rata basis in all issues of equity shares for cash, unless they agree that this right should be set aside. The effect of this resolution is to empower the Directors, until the conclusion of the next Annual General Meeting in 2009 or 13 August 2009, whichever is the earlier, to allot equity shares for cash, otherwise than by an issue offered pro rata to existing shareholders, up to a maximum nominal amount of £3,598,331, representing 5% of the issued ordinary share capital of the Company on 2 April 2008. In addition, the resolution empowers the Directors to deal with fractional entitlements and any practical problems arising in any territory on any offer made on a pro rata basis. The Directors consider that it is appropriate for this authority and these powers to be granted to preserve maximum flexibility for the future.

Resolutions 12 and 13 concern the adoption of new Articles of Association and subsequent amendments to the Articles in respect of directors' conflicts of interest.

The Articles of Association of the Company were last updated in 2006 and since then company law in the United Kingdom has undergone major reform through the coming into force of parts of the Companies Act 2006 (the '2006 Act'). Accordingly, the Board considers it prudent to replace the Company's existing Articles of Association with new Articles which take account of these developments (the 'New Articles'). When adopting the New Articles, the Board wish to take the opportunity to increase the aggregate cap on Directors' fees for the reasons explained in the Appendix on page 6.

The 2006 Act is being brought into force in stages, the process began in January 2007 with full implementation scheduled by October 2009. At this year's AGM the Company proposes to adopt provisions which reflect changes in the law brought about by the 2006 Act in respect of, among other things, electronic communications, notice periods for meetings, proxy voting and directors' conflicts of interest. Over the course of the next year the Company intends to conduct a further review of the New Articles in order to identify any additional amendments that might be necessary following the full implementation of the 2006 Act in October 2009. It is the Board's intention that any further amendments will be put to shareholders at the 2009 AGM.

A summary of the material changes brought about by the proposed adoption of the New Articles is set out in the Appendix on pages 5 to 6 of this document. Other changes, which are of a minor, technical or clarifying nature, have not been noted in the Appendix.

A copy of the New Articles will be available for inspection from the date of this document until the conclusion of the AGM during normal business hours on any weekday at the registered office of the Company and at the offices of Dickson Minto WS at Royal London House, 22-25 Finsbury Square, London EC2A 1DX. The New Articles will also be available for inspection at any time until the conclusion of the AGM on the Company's website (www.tulloil.com) and shall be available at the venue of the AGM from 15 minutes prior to and until the conclusion of the meeting.

Resolution 14 concerns the approval of changes to the Tullow Oil 2005 Performance Share Plan (PSP).

As explained in the Directors' Remuneration Report, on pages 57 to 66 of the Annual Report, the Remuneration Committee has recently carried out a full review of the remuneration policy for the Executive Directors. Following this review, the Remuneration Committee remains committed to ensuring that the remuneration packages of Executive Directors contain a high proportion of variable pay, a significant part of which is payable in shares and dependent on the Company's Total Shareholder Return (TSR) performance.

The PSP is an important part of the arrangements for providing such variable pay. Participants in the PSP receive performance-related awards of shares that normally vest after three years. These are subject to a TSR based performance condition under which the Company's TSR performance is measured over a fixed three year period against two comparator groups.

In addition, no award vests unless the Remuneration Committee considers that both the Company's underlying financial performance and its performance against other key factors (e.g. health and safety) over the relevant period are satisfactory.

To further emphasise the focus on variable pay delivered in shares, it is proposed to raise the individual participation maximum limits under the PSP. Currently, Executive Directors and senior executives can be granted conditional awards of rights over whole shares worth up to 150% of salary each year (200% in exceptional circumstances).

The Remuneration Committee is recommending that shareholders approve, at the forthcoming AGM, an increase to the 'normal' maximum annual limit to 200% of salary (with a revised 'exceptional circumstances' maximum of 300% of salary). Exceptional circumstances would include, for example, an award to attract a new Executive Director to the Company.

In addition, the following changes (which do not require shareholder approval) are proposed to the operation of the PSP from 2008:

- The performance targets will continue to measure TSR relative to two comparator groups (with equal weightings). While 30% of awards will continue to vest for median

performance, the performance required for full vesting of awards to Executive Directors will be raised from upper quartile to upper quintile;

- The comparator groups will be amended to reflect Tullow's current circumstances. Therefore, half of the awards will be measured against the FTSE 100 (of which Tullow is now a member – previously, the FTSE 250 was used) excluding Investment Trusts, with the balance measured against a revised group of Oil & Gas companies (as detailed in the Directors' Remuneration Report as mentioned above).

All the other key features of the PSP (including the 'underpin' relating to Tullow's financial and other performance) will remain unchanged.

A copy of the Rules of the PSP incorporating the proposed changes will be available for inspection from the date of this Notice until the conclusion of the AGM during normal business hours on any weekday at the registered office of the Company and at the offices of Dickson Minto WS at Royal London House, 22-25 Finsbury Square, London EC2A 1DX. The amended Rules will also be available for inspection at the venue of the AGM from 15 minutes prior to and until the conclusion of the AGM.

Recommendation

Your Directors believe that the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of them, as they propose to do so in respect of their own shareholdings.

Yours faithfully



Pat Plunkett
Chairman

Directors' biographies

In respect of those Directors seeking re-election at the AGM

David Bamford

Non-Executive Director (Age 61)

David Bamford was appointed as a non-executive Director in July 2004. Mr Bamford is a member of the Audit, Nominations and Remuneration Committees. With a PhD in Geological Sciences from the University of Birmingham, he has had over 23 years' exploration experience with BP where he was Chief Geophysicist from 1990 to 1995, General Manager for West Africa from 1995 to 1998, and acted as Vice President, Exploration, directing BP's global exploration programme, from 2001 to 2003. He is a non-executive Director of Paras Limited, a specialist oil and gas industry consulting firm.

Steven McTiernan

Senior Independent Director (Age 56)

Steven McTiernan was appointed as a non-executive Director in 2002, and was appointed Senior Independent Director on 1 January 2008. He is a member of the Audit, Nominations and Remuneration Committees. Mr McTiernan began his career as a petroleum engineer, working with BP, Amoco and Mesa in the Middle East and the UK. In 1979, he joined Chase Manhattan Bank, where he became Senior Vice-President and head of the bank's energy group based in New York. From 1996 to 2001, he held senior energy-related positions at NatWest Markets and then CIBC World Markets. He is currently principal of Sandown Energy Consultants Limited, a natural resources advisory firm based in London.

Graham Martin

General Counsel and Company Secretary (Age 54)

A solicitor, Graham Martin joined Tullow as Legal and Commercial Director in 1997 from Vinson & Elkins, a leading international law practice, where he was a partner. Prior to that he was a partner in Dickson Minto WS, a UK corporate law firm. He has over 25 years' experience of UK and international corporate and energy transactions. He has been the principal legal adviser to Tullow since its formation in 1985 and was appointed to his current position as General Counsel in 2004. He recently also assumed the role of Company Secretary.

Clare Spottiswoode CBE

Non-Executive Director (Age 55)

Clare Spottiswoode was appointed as a non-executive Director in 2002. She is Chairman of the Remuneration Committee and a member of the Audit and Nominations Committees. A mathematician and an economist by training, Ms Spottiswoode began her career in the Treasury before starting her own software company. Between 1993 and 1998 she was Director General of Ofgas, the UK gas regulator. She is Chairman of Gas Strategies Limited, and also a non-executive Director of Bergesen ASA. In November 2006, she became the Policyholder Advocate for Aviva plc. Previously, she was Deputy Chairman of British Energy from 2002 to 2007. In 1999, she was awarded a CBE for services to the gas industry, and also holds an Honorary Doctorate of Social Sciences from Brunel University.

Patrick Plunkett

Chairman (Age 57)

Pat Plunkett joined the Board as a non-executive Director in 1998 and was appointed non-executive Chairman in 2000. He is also Chairman of the Nominations Committee and a member of the Remuneration Committee. Mr Plunkett is an accountant with over thirty years' experience in the financial services sector and is a former director of the Irish Stock Exchange. He managed the stockbroking and corporate finance businesses of ABN AMRO Bank in Ireland from 1993 to 1998. Since then he has been providing strategic advice and non-executive director services to a number of private companies.

Summary of the material changes to the Articles of Association of the Company

The principal changes arising from the adoption of the New Articles are set out below. References to Article numbers are references to a particular Article in the New Articles.

Articles that duplicate statutory provisions

Certain provisions in the current Articles which replicate provisions contained in companies legislation are in the main amended to bring them into line with the 2006 Act. Certain examples of such provisions, including provisions as to convening general meetings and proxies, are detailed below.

Electronic communications and CREST

The New Articles contain a number of provisions designed to maximise the Company's ability to use electronic systems for communication with shareholders and for dealing in shares through CREST.

Various provisions are included in the New Articles to allow the Company to communicate with shareholders via electronic means and to give the directors the discretion to use electronic communications to distribute notices of meetings, annual reports, accounts and summary financial statements. The New Articles also reflect the Uncertificated Securities Regulations 2001 and the 2006 Act by permitting members holding uncertificated shares to appoint, instruct, amend and revoke proxy appointments using the CREST system.

In addition, the New Articles simplify procedures for transacting the business of the Board by permitting the convening of meetings, serving of notice of resignation, appointment of alternates and execution of directors' resolutions by electronic means.

Form of resolution

The existing Articles contain provisions referring to 'extraordinary' resolutions and 'extraordinary' general meetings. These concepts have been abolished under the 2006 Act. Meetings of shareholders other than annual general meetings are referred to simply as general meetings. Any resolution requiring a 75% majority will be a 'special' resolution. Where for any purpose an ordinary resolution is required a special resolution shall also be effective.

Convening of general meetings and annual general meetings

The provisions of the existing Articles dealing with the convening of general meetings and annual general meetings and the length of notice required to convene such meetings are amended in the New Articles to conform to the new provisions of the 2006 Act. In particular, general meetings to consider special resolutions can now be convened on 14 clear days' notice whereas previously 21 clear days' notice was required. An annual general meeting still requires 21 clear days' notice.

Votes of members

Under the 2006 Act, proxies are entitled to vote on a show of hands whereas under the existing Articles proxies are only entitled to vote on a poll. The time limits for the appointment of proxies have also been altered by the 2006 Act so that weekends and bank holidays do not need to be counted in determining the time limits for lodging of proxies. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share or class of shares held by the shareholder.

Corporate representatives

The 2006 Act permits a corporate shareholder to appoint multiple corporate representatives who can attend, speak, vote and count towards a quorum at any general meeting. However, where multiple corporate representatives exercise votes in different ways, the 2006 Act provides that no votes have been exercised. The New Articles reflect the provisions in the 2006 Act.

Age of directors on appointment

The existing Articles require a director to leave office after reaching the age of 70. This has been deleted in the New Articles as it may contravene age discrimination legislation.

Conflicts of interest

The New Articles retain the provisions of the existing Articles in relation to directors' conflicts of interest. However, it is intended that with effect from 1 October 2008 these provisions will be amended to reflect new provisions of the 2006 Act in relation to directors' conflicts of interests which are expected to come into force on that date.

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or may conflict, with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, insofar as the articles of association contain a provision to this effect. The 2006 Act also allows articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision, the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

Conflicts of interest (continued)

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and the availability of board papers to protect a director being in breach of duty if a conflict of interest or a potential conflict of interest arises. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers to authorise conflicts are operating effectively.

It is proposed that the New Articles will, with effect from 1 October 2008, contain provisions giving the directors authority to approve situations involving directors' conflicts of interest and to allow conflicts of interest to be dealt with by the Board. The new provisions are contained in Resolution 13 set out in the Notice of the Annual General Meeting.

Directors' fees

It is proposed that the cap on directors' fees (currently being £400,000 in aggregate per annum) be increased by £200,000 to £600,000 per annum, or such additional sum as may from time to time be determined by the Company in general meeting. The Board considers that the increase is appropriate in view of the increasing time commitment involved on the part of the non-executive Directors and to allow sufficient headroom for future appointments of non-executive Directors to the Board. Shareholders should note that this cap applies to the non-executive Directors' fees only. The remuneration of Executive Directors is not subject to this cap and is the responsibility of the Remuneration Committee.

Indemnity

In addition to the power of a company to indemnify its directors for certain liabilities to third parties, the 2006 Act provides that a company may indemnify the directors of an associated company, and that a company that is a trustee of an occupational pension scheme can now indemnify a director against any liability incurred in connection with the company's activities as trustee of the scheme. Accordingly, the New Articles take advantage of the new law. The Board believes that the power of the Company to indemnify its directors in the manner described above is fair and reasonable and introduces a more appropriate balance of risk and reward.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Tullow Oil plc (the 'Company') will be held at Stationers' Hall, Ave Maria Lane, London EC4M 7DD on Wednesday, 14 May 2008 at 12 noon to consider and, if thought fit, to pass the resolutions set out below, of which Resolutions 1 to 10 and 14 will be proposed as ordinary resolutions and Resolutions 11 to 13 will be proposed as special resolutions.

Ordinary Business

1. To receive and adopt the Company's annual accounts for the financial year ended 31 December 2007 and the associated Reports of the Directors and Auditors.
2. To declare a final dividend of 4.0p per Ordinary Share for the financial year ended 31 December 2007.
3. To receive and approve the Directors' Remuneration Report for the financial year ended 31 December 2007.
4. To re-elect David Bamford as a Director.
5. To re-elect Steven McTiernan as a Director.
6. To re-elect Graham Martin as a Director.
7. To re-elect Clare Spottiswoode as a Director.
8. To re-elect Patrick Plunkett as a Director.
9. To re-appoint Deloitte & Touche LLP as auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors of the Company to determine their remuneration.

Special Business

10. THAT the Directors be and are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the 'Act') to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £23,988,878 provided that this authority (unless previously revoked or renewed) shall expire at the date of the next Annual General Meeting held in 2009 or on 13 August 2009, whichever is the earlier, but the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all subsisting authorities, to the extent unused.
11. THAT subject to the passing of resolution 10 proposed at the Annual General Meeting of the Company convened for 14 May 2008 ('Resolution 10'), the Directors be and are hereby empowered pursuant to section 95 of the Companies Act 1985 (as amended) ('the Act') in substitution for any existing power under section 95 of the Act, but without prejudice to the exercise of any such power prior to the date hereof, to allot equity securities

(as defined in section 94(2) to section 94(3A) of the Act) wholly for cash pursuant to the authority under section 80 of the Act conferred on the Directors by Resolution 10 as if section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:

- a) the allotment of equity securities for cash in connection with or pursuant to a rights issue, open offer or any other offer or issue of such securities by way of rights to or in favour of the holders of ordinary shares in the capital of the Company on the register of members at such record date(s) as the Directors may determine where the equity securities respectively attributable to the interests of all the holders of such ordinary shares are proportionate (as nearly as practicable) to the respective numbers of such ordinary shares held or deemed to be held by them on any such record date(s) but subject to such exclusions or other arrangements as the Directors may consider necessary, expedient or appropriate to deal with any fractional entitlements or legal or practical difficulties which may arise under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory or otherwise; and
- b) the allotment (otherwise than pursuant to paragraph (a) of this resolution of equity securities up to an aggregate nominal amount of £3,598,331;

and shall expire at the conclusion of the Annual General Meeting of the Company held in 2009 or on 13 August 2009, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired. This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the Act as if in the first paragraph of this resolution the words "pursuant to the authority under section 80 of the Act conferred on the Directors by Resolution 10" were omitted.

12. THAT the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairman of the meeting be adopted as the Articles of Association of the Company in substitution for, and to the entire exclusion of, the existing Articles of Association of the Company.
13. THAT subject to resolution 12 set out in the notice of Annual General Meeting of the Company convened for 14 May 2008 being passed, and with effect from 12.01 am on 1 October 2008 (or such later date as section 175 of the Companies Act 2006 shall be brought into force), Article 99 of the Company's Articles of Association adopted pursuant to such resolution 12 be deleted in its entirety and replaced by the following new Article 99:

“99. Permitted interests and voting

Paragraphs (A) to (I) of this article are subject to the provisions of the Companies Acts and to the provisions of paragraphs (J) to (P).

- (A) No director or proposed or intending director shall be disqualified by his office from contracting with the company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any director is in any way interested be liable to be avoided, nor shall any director who is so interested be liable to account to the company or the members for any remuneration, profit or other benefit realised by the contract by reason of the director holding that office or of the fiduciary relationship thereby established.
- (B) A director may hold any other office or place of profit with the company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Companies Acts) and upon such other terms as the board may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article.
- (C) A director may be or become a director or other officer of, or otherwise interested in, any company promoted by the company or in which the company may be interested or as regards which it has any power of appointment, and shall not be liable to account to the company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in the other company. The board may also cause any voting power conferred by the shares in any other company held or owned by the company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.
- (D) A director may act by himself or his firm in a professional capacity (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
- (E) A director shall not vote on or be counted in the quorum in relation to any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the company or any other company in which the company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the company or any other company in which the company is interested, a separate resolution
- may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another director to an office or place of profit with a company in which the company is interested and the director seeking to vote or be counted in the quorum owns one per cent. or more of it.
- (F) Save as otherwise provided by these articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board in respect of any actual or proposed transaction or arrangement with the company in which he has an interest (taken together with any interest of any person connected with him) which is an interest of which he is aware, or ought reasonably to be aware, does conflict, or can reasonably be regarded as likely to give rise to a conflict, with the interests of the company and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that material interest arises only from one or more of the following matters:
- (i) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the company or any of its subsidiary undertakings;
 - (ii) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (iii) where the company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
 - (iv) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the company or by reason of any other interest in or through the company;
 - (v) any contract concerning any other company (not being a company in which the director owns one per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
 - (vi) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;

- (vii) any contract for the benefit of the employees of the company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (viii) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors or for, or for the benefit of, persons who include directors.
- (G) A company shall be deemed to be one in which a director owns one per cent. or more if and for so long as (but only if and for so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of that company or of the voting rights available to members of that company. For the purpose of this paragraph of this Article 99 there shall be disregarded any shares held by the director or any such person as bare trustee or custodian and in which he has no beneficial interest, any shares comprised in a trust in which his, or any such person's, interest is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme in which he, or any such person, is interested only as a unit holder.
- (H) Where a company in which a director owns one per cent. or more is interested in a contract, he also shall be deemed interested in that contract.
- (I) If any question shall arise at any meeting of the board as to whether the interest of a director gives rise to a conflict, or could reasonably be regarded as likely to give rise to a conflict, with the interests of the company or as to the entitlement of any director to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be decided by a resolution of the board (for which purpose the director in question shall not be counted in the quorum and provided that the resolution was agreed to without the director in question voting or would have been agreed if their votes had not been counted) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the director (so far as it is known to him) has not been fairly disclosed to the board.
- (J) A director who is in any way, whether directly or indirectly, interested in an actual or proposed transaction or arrangement with the company shall declare the nature and extent of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this article, a general notice to the board by a director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.
- (K) References in this article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- (L) In respect of any situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company, the board may authorise the matter, on such terms as they may determine, provided that:
- (i) the director has declared the full nature and extent of the situation to the board; and
 - (ii) it is proposed (either by the director in question or another) that the board authorise the matter and upon the resolution to do so the requirement for the quorum is met without counting the director in question and the resolution was agreed to without such director voting or would have been agreed to if that conflicted director's vote had not been counted.
- (M) Any terms determined by the board under paragraph (L) of this article may be imposed at the time of authorisation or may be imposed subsequently and may include (without limitation):
- (i) the exclusion of the interested director in question from all information and discussion by the company of the situation in question; and
 - (ii) (without prejudice to the general obligations of confidentiality) the application to the interested director of a strict duty of confidentiality to the company for any confidential information of the company in relation to the situation in question.
- (N) An interested director under this Article 99 must act in accordance with any terms determined by the board pursuant to paragraphs (L) or (M) of this article.
- (O) Any authorisation given by the board under paragraph (L) of this article may provide that, where the interested director obtains (other than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose it to the company or to use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence.

(P) Subject to the provisions of the Companies Acts, the company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any contract not properly authorised by reason of a contravention of this article provided that nothing in this article shall permit the company to cease to comply with the Listing Rules of the UKLA.”

14. THAT the proposed changes to the rules of the Tullow Oil 2005 Performance Share Plan referred to in the Chairman's letter to shareholders dated 10 April 2008 and produced in draft to this meeting and, for purposes of identification, initialled by the Chairman, be approved and the Directors be authorised to make the proposed changes.

By Order of the Board



Graham Martin
Secretary

10 April 2008

Registered Office: 3rd Floor, Building 11, Chiswick Park,
566 Chiswick High Road, London W4 5YS

Notes

1. A member entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. If multiple proxies are appointed they must not be appointed in respect of the same shares. To be effective, the enclosed form of proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, should be lodged at the office of the Company's Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 48 hours before the time of the meeting. The appointment of a proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every ordinary share of which he is the holder.
2. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting by following 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.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be

properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID number 3RA50) by the latest time for receipt of proxy appointments specified in Note 1 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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.

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.

3. A 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 Annual General 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 statements of the rights of members in relation to the appointment of proxies in Notes 1 and 2 above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.

4. As at 2 April 2008 (being the latest practicable date before the date of the Notice) the Company's issued share capital amounted to 719,666,369 ordinary shares carrying one vote each. Therefore the total voting rights in the Company as at 2 April 2008 were 719,666,369 votes.

5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those Shareholders registered on the Register of Members of the Company as at 6.00 pm on 12 May 2008 (or in the event that the meeting is adjourned, only those Shareholders registered on the Register of Members of the Company as at 6.00 pm on the day which is two days prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. In order to facilitate voting by corporate representatives at the Annual General 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 corporate Shareholder present at the meeting then, on a poll, those corporate representatives will give voting directions to the Chairman of the meeting 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 in attendance on behalf of the corporate Shareholder 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 paragraph (i) of this Note 6.
7. The following documents will be available for inspection at the registered office of the Company and at the offices of Dickson Minto WS, Royal London House, 22-25 Finsbury Square, London EC2A 1DX during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting until the conclusion of the meeting:
 - c) Copies of all contracts of service under which Directors are employed by the Company or any of its subsidiary undertakings and the letters of appointment of the Chairman and the Non-executive Directors of the Company.
 - d) A copy of the Articles of Association of the Company as proposed to be adopted with effect from the passing of resolution 12; and
 - e) A copy of the draft Rules of the Tullow Oil 2005 Performance Share Plan incorporating the proposed changes.

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