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The London Stock Exchange has not examined or approved the contents of this document. The Directors, whose names are set out at page 6, and the Company accept responsibility for the information contained in this document including individual and collective responsibility. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document, for which they accept responsibility, is in accordance with the facts and does not omit anything likely to affect the import of such information. The whole of the text of this document should be read.

SOUND OIL PLC

(Incorporated and registered in England and Wales with registered number 5344804)

Proposed acquisition of Consul Oil & Gas Limited

Proposed Placing of New Ordinary Shares to raise £3.7 million

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of Sound Oil set out in this document which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Sound Oil, to be held at the offices of finnCap, 60 New Broad Street, London EC2M 1JJ at 11.00 a.m. on 4 January 2011, is set out at the end of this document. The Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out therein as soon as possible but in any event so as to reach the Company's registrars, Share Registrars, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL, not later than 11.00 a.m. on 30 December 2010. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 30 December 2010
General Meeting	11.00 a.m. on 4 January 2011
Admission of the New Ordinary Shares to AIM	8.00 a.m. on 5 January 2011
Despatch of definitive share certificates, or CREST accounts credited by	5 January 2011

SHARE CAPITAL AND PLACING STATISTICS

Number of Ordinary Shares in issue as at the date of this document	692,427,348
Number of Placing Shares	311,251,000
Number of Consideration Shares	269,127,983
Number of Ordinary Shares in issue on Admission	1,285,306,331
Net proceeds of the Placing due to the Company excluding the SEDA facility	£2.8 million
Net proceeds of the Placing due to the Company including the fully utilised SEDA facility	£12.8 million

DEFINITIONS

The following definitions apply throughout this document, except where the context requires otherwise.

“Acquisition”	the acquisition by the Company of an initial 96 per cent. of the issued share capital of Consul pursuant to the terms of the Acquisition Agreement
“Acquisition Agreement”	the agreements dated 15 December 2010 between the Company (1) and the Vendors (2), further details of which are set out in paragraphs 1 and 3 of the letter from the Chairman
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules for AIM Companies as issued by the London Stock Exchange from time to time governing, <i>inter alia</i> , the admission of securities to AIM
“Apennine”	Apennine Energy S.r.l., a company incorporated in Italy with registered number 01348720358, which is a wholly owned subsidiary of Consul
“Articles”	the articles of association of the Company
“Board” or “Directors”	the board of directors of the Company, whose names are set out on page 6 of this document
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks are open in the City of London for the conduct of normal banking business
“Company” or “Sound Oil”	Sound Oil plc, a company incorporated in England & Wales with registered number 5344804, whose registered office is at Third Floor, 55 Gower Street London WC1E 6HQ
“Consul”	Consul Oil & Gas Limited, a company incorporated in England & Wales with registered number 5811564 whose registered office is at Third Floor, 55 Gower Street, London WC1E 6HQ
“Consul Incentive Shares”	12,500,000 Ordinary Shares to be issued to two Consul directors, Godwin Debono and Terry Jones, as payment for services in lieu of cash
“Companies Act”	the Companies Act 2006 (as amended)
“Consideration Shares”	the 269,127,983 new Ordinary Shares to be issued to the Vendors pursuant to the Acquisition
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations)
“Enlarged Group”	the Group as enlarged by the Acquisition
“Existing Ordinary Shares”	the 692,427,348 Ordinary Shares in issue at the date of this document

“Enlarged Share Capital”	the 1,285,306,331 Ordinary Shares in issue following Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares
“finnCap”	finnCap Limited, a company incorporated in England & Wales with registered number 6198898, whose registered office is at 60 New Broad Street, London EC2M 1JJ, the Company’s nominated adviser and broker
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders at the GM
“FSA”	Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting” or “GM”	the general meeting of the Company convened for 11.00 a.m. on 4 January 2011 (or any adjournment thereof), notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries as at the date of this document
“London Stock Exchange”	the London Stock Exchange plc
“New Ordinary Shares”	the Placing Shares, the Consideration Shares and the Consul Incentive Shares
“Notice of GM”	the notice of GM set out at the end of this document
“Ordinary Shares”	ordinary shares of 0.1p each in the capital of the Company
“Placing”	the placing undertaken by finnCap, as agent for the Company, of the Placing Shares
“Placing Shares”	the 311,251,000 new Ordinary Shares to be issued pursuant to the Placing
“RAB”	RAB Octane (Master) Fund Limited, a company registered in the Cayman Islands and whose correspondence address is c/o RAB Capital plc, 1 Adam Street, London WC2N 6LE
“Regulations”	the Uncertificated Securities Regulations 2001 (S1 2001 No. 3755)
“Resolutions”	the resolutions to be proposed at the GM as set out in the Notice of GM
“SEDA”	the £10 million standby equity distribution facility provided by YA Global Master SPV Ltd details of which are set out in paragraph 1 on page 6 of this document
“Shareholders”	holders of Ordinary Shares
“Vendors”	RAB, Sogdian Limited (of which Gerald Orbell is a beneficiary), Godwin Debono and Luigi Cacchioni

GLOSSARY OF TECHNICAL TERMS

Mscf	thousand standard cubic feet of recoverable gas
Bcf	billion cubic feet
Bscf	billion standard cubic feet of recoverable gas
Tcf	trillion cubic feet
Tscf	trillion standard cubic feet of recoverable gas
MMscfd	million standard cubic feet of gas per day
MMbo	million barrels of recoverable oil
MMboe	million barrels of recoverable oil equivalent (6000 scf = 1 barrel of oil)
bopd	barrels of oil per day
1C/2C/3C	contingent resource categories equivalent to low/best/high estimates (correspond to proved, probable and possible categories of reserve estimates)
P50	probabilistic estimate of resources equivalent to the most likely or best estimate

LETTER FROM THE CHAIRMAN

SOUND OIL PLC

(Incorporated and registered in England and Wales with registered number 5344804)

Directors:

Gerald Orbell (*Chairman*)
Michael Nobbs (*Non-executive Director*)
Ilham Habibie (*Non-executive Director*)

Registered Office:

Third Floor
55 Gower Street
London
WC1E 6HQ

15 December 2010

Dear Shareholder

Proposed Acquisition of Consul Oil & Gas Limited

Proposed Placing of New Ordinary Shares to raise £3.7 million for the Company

1. Introduction

As announced today, the Company has conditionally acquired 96 per cent. of the issued share capital of Consul for a total consideration of £4.62 million and has made an offer to acquire the remaining 4 per cent. of the issued share capital of Consul. The consideration payable will be satisfied by the payment in cash of approximately US\$2.19 million (£1.39 million) upon completion and the issue of 269,127,983 Consideration Shares to the Vendors. A further 11,111,110 Ordinary Shares will be issued and a payment of US\$93,333 in cash made if the remaining 4 per cent. of Consul is acquired. In addition the Company will also purchase from RAB an existing loan from RAB to Consul of approximately €1.15 million.

The Company also announced a Placing of 311,251,000 New Ordinary Shares to raise approximately £3.7 million for the Company to fund the Enlarged Group's combined work programme and ongoing costs. In addition, the Company announced that it has entered into a £10 million SEDA with YA Global Master SPV Ltd, an investment fund managed by Yorkville Advisors LLC. Subject to its terms, the £10 million SEDA facility can be drawn upon at the discretion of the Company. Under the terms of the SEDA, Sound Oil may draw down on funds over a period of up to three years in exchange for the issue of new Ordinary Shares in the Company. The Ordinary Shares issued by the Company will be at a 5 per cent. discount to the prevailing market price during the 10 day pricing period of a draw down. The Company may also set a minimum price for each draw down. The maximum advance that may be requested is 200 per cent. of the average daily trading volume of Ordinary Shares multiplied by the volume weighted average price of such shares for each of the 10 trading days prior to the draw down request. The facility may only be drawn down upon once every 10 days.

Consul is a private company founded in 2006 which holds 17 oil and gas exploration permits and applications in Italy. Independent experts Fugro Robertson Limited have estimated that Consul's licence areas hold a minimum 13 MMboe of net contingent resources with a combined success case value of US\$226 million. In addition, exploration potential for 284 Bscf of net prospective resources has been identified in two prospects in one permit. The Board considers that the commercial rationale for the Acquisition is compelling. By acquiring Consul, Sound Oil will add a portfolio of low-risk, operated developments, with near term revenue potential, to its longer term but non-operated Indonesian assets. Furthermore, Consul comes with significant upside potential from a number of exploration prospects. Limited work commitments, favourable fiscal terms, strong pricing environment and widespread infrastructure in Italy will significantly lower the financial and operational risk profile of Sound Oil. Further details of the Acquisition are given on page 11 of this document.

The Company is seeking the authority of Shareholders to provide the Directors with authority to allot and issue the New Ordinary Shares and to disapply pre-emption rights in relation to the allotment of the Placing Shares. Accordingly, the Company is convening the General Meeting. The Resolutions to be proposed at the GM are contained in the Notice of GM set out at the end of this document.

The purpose of this letter is to outline the reasons for, and to explain the terms of, the Acquisition and the Placing and to explain why the Board considers the Resolutions to be in the best interests of the Company and Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolutions at the General Meeting as they intend to do in respect of 153,458,786 Ordinary Shares held by them (representing 22.16 per cent. of the Existing Ordinary Shares).

2. Details of Consul

Consul is a private company founded in 2006 which, through its 100 per cent. owned subsidiary Apennine, holds 17 oil and gas exploration permits and applications in Italy including one production concession. Apennine is the operator of the majority of its assets and holds high equity positions ranging from 50 per cent. to 100 per cent. which gives it control over the level and pace of development and spending. The portfolio consists of a mix of oil and gas development and production opportunities. Italy is a proven hydrocarbon region which provides attractive fiscal terms in a stable political environment.

A map of the Italian permit, licences and applications is shown below.



The following is a table of all Consul's assets in Italy:

Table 1.1: Consul Assets in Italy

	Permit	Discovery/Prospect	Name	Category	Area (km ²) ¹	WI (%)	Operator	Oil/Gas
Core Value Assets	D 503 BR-CS (Offshore)	Discovery	Dora	Assigned Permit	138.09	100%	COGL	Gas
	D 150 BR-CS (Offshore)	Discovery	Laura	Assigned Permit	65.15	100%	COGL	Gas
	Carita	Discovery	Nerversa	Assigned Permit	529.75	50%	COGL	Gas
	Villa Gigli	Discovery	Musone	Assigned Permit	100.6	50%	COGL	Oil
	Torrente Alvo	Discovery	Strombone	Assigned Permit	84.34	50%	Celtique Energie Ltd	Oil
	Sanbucheto	Discovery	Montefano	Permit	147.59	95%	COGL	Gas
	Fonte San Damiano	Discovery	Marciano	Concession	23.71	99%	COGL	Gas
	Badile	Prospect	Badile	Permit	154.5	100%	COGL	Oil/Gas
	Badile	Prospect	Zibido	Permit	154.5	100%	COGL	Oil/Gas
Other Assets	Villa Gigli	Discovery	Morotti	Assigned Permit	100.6	50%	COGL	Gas
	Monte Negro	Discovery	Cicorva	Assigned Permit	287.7	50%	Celtique Energie Ltd	Gas
	Sanbucheto	Discovery	Saletta	Permit	147.59	95%	COGL	Gas
	Torrente Alvo	Discovery	S Chircio	Assigned Permit	84.34	50%	COGL	Gas
	Solfara Mare	Discovery	Seggio Romano	Assigned Permit	337	100%	COGL	Gas
	D 148 DR-CS	Prospect	San Marco	Assigned Permit	63.13	100%	COGL	Gas
	Postal Del Giudice	Prospect	San Pietro Pliocene	Assigned Permit	113.6	50%	COGL	Gas
	Postal Del Giudice	Prospect	San Pietro Miocene	Assigned Permit	113.6	50%	COGL	Gas
	Monteluro	Prospect	Leas A	Permit	364.86	95%	COGL	Gas
	Colle Ginestre	Prospect	Turchese	Assigned Permit	86.55	50%	CGI	Gas
	D 503 BR-CS (Offshore)	Prospect	Dalla	Assigned Permit	138.09	100%	COGL	Gas
	D 503 BR-CS (Offshore)	Prospect	Elisa	Assigned Permit	138.09	100%	COGL	Oil
	D 150 BR-CS (Offshore)	Prospect	Lina	Assigned Permit	65.15	100%	COGL	Gas

The tables below are extracts from a competent persons report prepared by Fugro Robertson on Consul's contingent and prospective resources.

Contingent Resources estimated for discovered fields as of 19 July 2010

	Gross			Net			Risk Factor*	Operator
	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate		
Villa Gigli – Musone oil	0.4	1.7	2.9	0.2	0.8	1.5	50%	Consul
Torrente Alvo – Strombone oil	1.0	4.4	7.5	0.5	2.2	3.8	50%	Celtique Energie Ltd
Total for Oil & Liquids	1.4	6.1	10.4	0.7	3.0	5.2		
D150 – Laura gas**	–	30.0	–	–	30.0	–	50%	Consul
D503 – Dora gas	7.9	17.6	24.0	7.9	17.6	24.0	50%	Consul
Carita – Nerversa gas**	–	12.5	–	–	6.3	–	50%	Consul
Sanbucheto – Montefano gas**	–	4.0	–	–	3.8	–	50%	Consul
Fonte San Damiano – MarcianoST gas**	–	2.5	–	–	2.5	–	50%	Consul
Total for Gas	7.9	66.6	24.0	7.9	60.1	24.0		

Note: All figures presented in MMboe or Bcf

*Risk factor associated with appraisal

**Fugro Robertson best estimate = Consul best estimate. No low/high estimates calculated

Prospective Resources estimated for exploration prospects as of 19 July 2010

	Gross			Net			Risk Factor	Operator
	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate		
Badile ¹	-	19.2	-	-	19.2	-	18%	Consul
Zibido	-	15.5	-	-	15.5	-	14%	Consul
Total for Oil & Liquids	-	34.7	-	-	34.7	-	-	-
Badile ¹	-	153.4	-	-	153.4	-	18%	Consul
Zibido	-	130.2	-	-	130.2	-	14%	Consul
Total for Gas	-	283.6	-	-	283.6	-	-	-

Note: All figures presented in MMboe or Bcf
¹There is a risk of hydrocarbon type in this prospect, therefore two cases were considered, oil case and gas case. Only one of them should be considered at any point of time for any evaluation purposes.

Contingent resources for several of the discoveries are not large, but high equity positions ranging from 50 per cent. to 100 per cent., low development and operating costs, a strong pricing environment and attractive fiscal terms ensure that all projects targeted are material – even down to just 1 bcf. The near term strategy for the work programme in Italy is to exploit two of the most material discoveries and drill one high impact exploration prospect with the aim of converting the proceeds from the Placing and SEDA facility into revenue within a short time horizon and creating a sustainable platform to target further exploration and development opportunities.

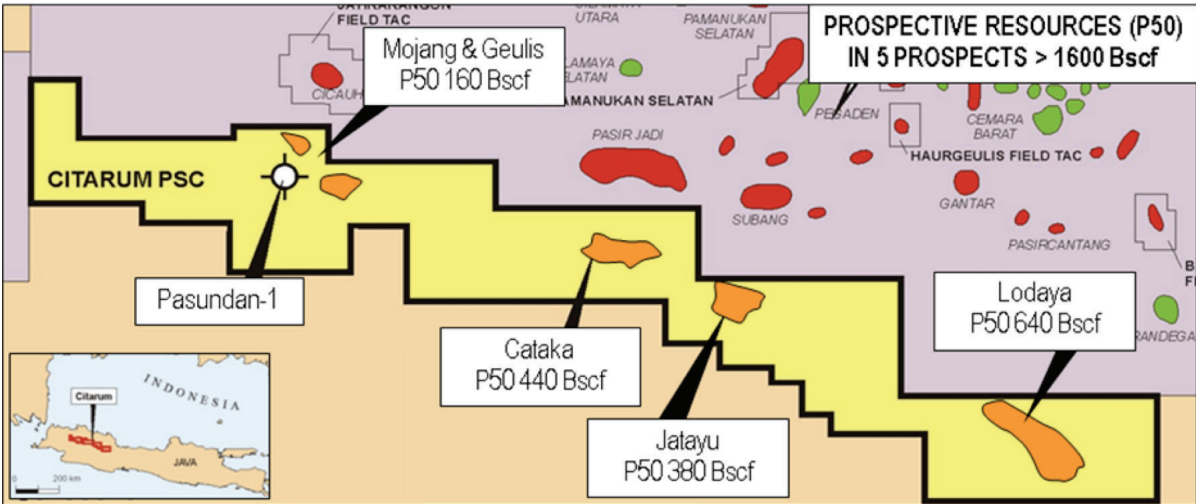
Enlarged Group Work Programme 2011-2012

Subject to satisfactory completion of the Acquisition and the Placing, the Group intends to commence a multi-well programme over the next 24 months on its Italian and Indonesian licences, part of which is dependent on securing additional financial resources during this period.

Indonesia

Citarum

On the Group’s Citarum prospect, in which Sound Oil ultimately has a 20 per cent. working interest, a three-well exploration programme is intended to commence in January 2011. The acquisition of 865km of 2D seismic was completed in July 2010 and the results have been interpreted revealing a number of interesting leads and a resource potential of 1.6 Tcf in five structures indicating the licence could be significantly more prospective than originally thought. The operator, Pan Orient Energy (Citarum) Pte. Ltd, intends to commence drilling in March 2011 on three prospects, Cataya, Jatayu and Lodaya. The net cost to Sound Oil for this programme is estimated to be US\$4.9 million.



Bangkanai

Salamander Energy plc recently announced that it had purchased a 69 per cent. working interest and the operatorship of the Bangkanai production sharing contract in which Sound Oil has, through its wholly-owned subsidiary Mitra Energia Bangkanai Limited, a 5 per cent. carried interest. Salamander Energy plc has announced plans for early drilling, commencing in early 2011, on two exploration wells.

Italy

Independent experts, Fugro Robertson, have estimated that existing discoveries in seven of Consul's licence areas hold at least 13 MMboe of net contingent resources, valued on a success case basis (NPV10) at US\$226 million. In addition Fugro Robertson recognise 284 Bscf of net prospective resources in another separate licence. Total net prospective resources across all of Consul's licences are estimated at ~570 Bscf.

Strombone Discovery

The Strombone field was discovered in 1978 by ENI S.p.A who drilled the Strombone 2d well to a depth of 2,310 metres encountering 54 metres of oil bearing fractured limestone reservoir. The well flowed at 750 bopd (29 API) with a high water cut. The source and fracture network behind the water production remains a key risk to a commercial development. The field is 50 per cent. owned and operated by Consul and a well is planned to be drilled in 2012 at a net cost of US\$2.6 million plus an additional £3 million to complete the well and bring it into production. Recoverable volumes are estimated at 4.4 MMboe Gross based on a 25 per cent. recovery factor.

Marciano Concession

The Marciano gas field was discovered by Italmi in 1989. Several small gas bearing reservoirs were encountered in Pleistocene aged sands and 0.6 Bcf has been produced to date. Consul acquired the licence in 2006 and drilled a sidetrack in 2007 encountering two further thin gas bearing sands. Recoverable reserves are estimated at 2.5 Bcf. A further US\$0.7 million of capital expenditure is required to test and complete the well before production can commence. Processing and electricity generating facilities are already in place and the electricity generated will be sold into the local grid.

At present, Consul's licence to operate the Marciano concession has expired. Several extensions to this licence have been granted in the past and on 14 July 2010, Consul filed a petition with the Ministry of Economic Development for a suspension of production activity for 24 months. To date no response has been received and whilst the directors of Consul fully expect the extension to be granted, there remains the possibility that the production concession may be revoked.

Badile Prospect

The Badile prospect is close to three discovered fields and offers the greatest upside potential of the Italian portfolio with estimated prospective resources of 153 Bcf. The prospect is described as a robust high relief, reverse fault block with a four way dip closure. The chance of success is estimated at one in six with equal probability of oil or gas. The Group plans to farm-out a 50 per cent. interest in exchange for a carry on one well which will likely be drilled in 2012.

Laura Discovery

Laura is an offshore gas discovery, with a best estimate contingent resource of 30 Bcf. The field was discovered in 1980 by ENI/Agip. The field is located in 197m of Adriatic water approximately 4km from the shore.

The intention is to farm out 50 per cent. of the field for a carry on one well. However, recent changes to the environmental laws in Italy will likely prohibit appraisal and development of the Laura field at present as it is located within the five nautical mile limit for offshore drilling.

Subject to the Company accessing additional funding, either from any undrawn element of the Yorkville SEDA facility, production revenues or external funding, Sound Oil intends to undertake the following work on the following Consul assets:

Nervesa Discovery

The Nervesa gas field was discovered in 1985 by ENI S.p.A.. The discovery well intersected 13 separate gas bearing intervals although only one zone was completed and put into production. The P50 recoverable resources for Nervesa are estimated at 14 Bcf. The field also has the potential for five further deeper zones to be completed giving a further estimated 12.5 Bcf of recoverable resources. Drilling is planned for early 2012 on a two well development with dual completion with production expected later that year.

Montefano

The Montefano gas field was discovered by Agip in 1984. A five metre gas interval was encountered at a depth of 1,190 metres. A well is planned for 2012. Recoverable reserves are estimated at 4Bcf. Production is expected to commence in 2013.

The entire competent person's report prepared by Fugro Robertson can be viewed on the Company's website www.soundoil.com together with a corporate presentation outlining the Company's planned work programme.

3. Details of the Acquisition

Pursuant to the terms of the Acquisition Agreement Sound Oil will acquire 96 per cent. of Consul and has made an offer to acquire the remaining 4 per cent. of the issued share capital of Consul.

The consideration payable for the 96 per cent. will be satisfied by the payment of approximately US\$2.19 million (£1.39 million) in cash to the Vendors upon completion and the issue of 269,127,983 Consideration Shares. A further 11,111,110 Ordinary Shares will be issued and an additional cash payment of \$93,333 will be made if the remaining 4 per cent. of Consul is acquired. In addition the Company will also purchase an existing loan from RAB to Consul of approximately €1.15 million.

Following Admission RAB, the majority shareholder in Consul, will be interested in 19.13 per cent. of the Enlarged Share Capital. RAB has agreed that it will not dispose of its Ordinary Shares for a period of 12 months from the date of Admission and, for a further 12 months thereafter, will only dispose of Ordinary Shares through the Company's broker, finnCap, in an orderly manner.

The remaining Vendors have, pursuant to a lock-in agreement, agreed that they will not dispose of any Ordinary Shares for a period of 12 months from the date of Admission and, for a further 12 months thereafter, will only dispose of Ordinary Shares through the Company's broker, finnCap, in an orderly manner.

The Company has agreed to issue to two of the Consul directors, Godwin Debono and Terry Jones, 6,250,000 New Ordinary Shares as payment for services in lieu of cash.

4. Details of the Placing and use of proceeds

The Company has today announced that it intends to raise approximately £3.7 million, before expenses, through a conditional Placing by finnCap of 311,251,000 Placing Shares. The Placing Shares will, following allotment, rank *pari passu* with the Existing Ordinary Shares.

Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that subject to the passing of the Resolutions Admission will become effective and dealings in the New Ordinary Shares will commence on 5 January 2011.

The net proceeds of the Placing, expected to amount to approximately £3 million, together with the available funds under the SEDA facility, will be used to progress the Consul work programme on the Italian assets primarily on Marciano, Strombone and Badile, as described above and for general corporate and administrative purposes.

5. Irrevocable Undertakings

Each member of the Board has given irrevocable undertakings to vote in favour of the Resolutions in respect of their own beneficial holdings of 153,458,786 Ordinary Shares, representing, in aggregate, 22.16 per cent. of the Existing Ordinary Shares.

Additionally RAB Energy Fund Limited has given an irrevocable undertaking to vote in favour of the Resolutions in respect of their own beneficial holding of 32,084,290 Ordinary Shares, representing 4.63 per cent. of the Existing Ordinary Shares.

6. General Meeting

The notice convening the GM to be held at the offices of finnCap, 60 New Broad Street, London EC2M 1JJ at 11.00 a.m. on 4 January 2011 is set out at the end of this document.

7. Action to be taken

Shareholders will find a Form of Proxy enclosed with this document for use at the GM. Whether or not you intend to be present at the GM, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL not later than 11.00 a.m. on 30 December 2010, being 48 hours (excluding non-business days) before the time appointed for holding the GM. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

8. Recommendations

The Directors believe that the Acquisition and the Placing are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the Resolutions as they have irrevocably undertaken to do in respect of their own beneficial holdings of 153,458,786 Ordinary Shares, representing 22.16 per cent. of the Existing Ordinary Shares.

Yours faithfully,

Gerald Orbell
Chairman

Sound Oil PLC

(Incorporated and registered in England and Wales with registered number 05344804)

(the “Company”)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting (the “Meeting”) of Sound Oil PLC (the “Company”) will be held at the offices of finnCap Limited, 60 New Broad Street, London EC2M 1JJ on 4 January 2011 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as an ordinary resolution in the case of resolution 1 and as a special resolution in the case of resolution 2.

ORDINARY RESOLUTION

1. That in substitution for all existing authorities under the following section (or section 80 of the Companies Act 1985) to the extent unutilised, the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “Act”) to allot equity securities (within the meaning of section 560(1) of the Act) of the Company up to an aggregate nominal amount of £933,991 provided that this authority shall expire (unless previously renewed, varied, extended or revoked by the Company in general meeting) at the earlier of the next Annual General Meeting of the Company and the date falling 15 months following the date of this resolution. The Company may, at any time prior to the expiry of the authority, make an offer or agreement which would or might require equity securities to be allotted after the expiry of the authority and the Directors are hereby authorised to allot equity securities in pursuance of such offer or agreement as if the authority had not expired.

SPECIAL RESOLUTION

2. Subject to resolution 1 above being passed, that in substitution for all existing authorities (under section 95(1) of the Companies Act 1985 or section 570(1) of the Act) to the extent unutilised, the Directors, pursuant to Section 570(1) of the Act, be empowered to allot equity securities (within the meaning of Section 560(1) of the Act) of the Company for cash pursuant to the authority conferred by Resolution 1 as if Section 561(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 where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their holdings of such ordinary shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and with legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory; and
 - (b) the allotment, other than pursuant to (a) above, of equity securities:
 - (i) arising from the exercise of options and warrants outstanding at the date of this resolution;
 - (ii) the allotment of Ordinary Shares pursuant to the Placing for cash up to a maximum aggregate nominal amount of £311,251;
 - (iii) the allotment of the Consul Incentive Shares for cash up to a maximum aggregate nominal amount of £12,500;
 - (iv) the allotment of Ordinary Shares pursuant to the SEDA for cash up to a maximum aggregate nominal amount of £100,000;
 - (v) the allotment, other than pursuant to sub-paragraphs (i), (ii), (iii) and (iv) above, of up to a maximum aggregate nominal amount of £230,000,

and this power shall, unless previously revoked, extended or varied by special resolution of the Company in general meeting, expire at the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months following the date of this resolution. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

If you are a registered holder of ordinary shares of £0.001 each in the capital of the Company ("Ordinary Shares"), whether or not you are able to attend the Meeting, you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf. A proxy need not be a member of the Company.

A form of proxy is provided.

This may be sent by facsimile transfer to 01252 719 232 or by mail using the reply paid card to:

The Company Secretary
Sound Oil Plc
c/o Share Registrars Limited
Suite E
First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7LL

In either case, the signed proxy must be received no later than 48 hours (excluding non-business days) before the time of the meeting, or any adjournment thereof.

Registered Office:

Third Floor
55 Gower Street
London WC1E 6HQ

By order of the Board

Stephen Ronaldson
Company Secretary

15 December 2010

Registered in England and Wales Number: 5344804

Notes to the Notice of General Meeting

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members 48 hours before the proposed time of the Meeting shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting in order to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited, on 01252 821 390.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232; and
- received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

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

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821 390.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

10. A member that is a company or other organisation not having a physical presence cannot attend the Meeting in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.

Issued shares and total voting rights

11. As at 15 December 2010, the Company's issued share capital comprised 692,427,348 Ordinary Shares of £0.001 each. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 15 December 2010 is 692,427,348.

Communications with the Company

12. Except as provided above, members who have general queries about the Meeting should telephone Stephen Ronaldson on 020 7580 6075 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

