

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO DIVERSIFIED GAS & OIL PLC (THE "COMPANY") ON WHICH YOU ARE BEING ASKED TO VOTE.

The definitions used throughout this Circular are set out on page 4 of this Circular.

If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000 if in the United Kingdom or otherwise regulated under the laws of your own country.

If you sell or transfer or have sold or transferred all your Shares in the Company, you should hand this Circular and the documents accompanying it to the purchaser or agent through whom the sale was effected for transmission to the purchaser. If you sell or have sold or otherwise transferred only part of your holding of Shares, you should retain these documents.

DIVERSIFIED GAS AND OIL PLC

(a company registered in England and Wales with company number 09156132)

Notice of Annual General Meeting

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company set out in this document, which contains your Board's unanimous recommendation to vote in favour of the Resolutions set out in the notice of Annual General Meeting referred to below.

Notice of the Annual General Meeting of the Company to be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 10.00 a.m. (UK time) on 28 July 2017 is set out at the end of this Circular.

Shareholders will find enclosed a Form of Proxy for use at the AGM. To be valid for use at the AGM, the Form of Proxy must be completed and returned, in accordance with the instructions printed thereon, to the Company's share registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA as soon as possible and, in any event, to arrive by 10.00a.m. (UK time) on 26 July 2017. The completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the AGM should they subsequently wish to do so.

YOU ARE REQUESTED TO COMPLETE AND RETURN THE ENCLOSED FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS HEREIN.

Your attention is drawn to the section entitled "Action to be Taken by Shareholders" on page 3 of this Circular.

Copies of this document will be available free of charge during normal business hours on weekdays (excluding Saturday, Sunday and public holidays) from the date hereof until 28 July 2017 from the Company's registered office. Copies will also be available to download from the Company's website at www.diversifiedgasandoil.com.

LETTER FROM THE CHAIRMAN

DIVERSIFIED GAS AND OIL PLC

(Registered in England and Wales with Company Number 09156132)

Directors:

Robert Marshall Post,
Robert "Rusty" Russell Hutson Jr.,
Bradley Grafton Gray,
David Edward Johnson,
Martin Keith Thomas

Registered Office:

27/28 Eastcastle Street
London
W1W 8DH

22 June 2017

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING.

Introduction

I am writing in connection with the Resolutions to be proposed at the forthcoming Annual General Meeting of Diversified Gas & Oil PLC at 10.00a.m. (UK time) on 28 July 2017 at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN. Your attention is drawn to the recommendations of the Board as set out below.

The Directors of the Company have taken all reasonable care to ensure that the facts stated in this Circular are true and accurate in all material respects and that there are no material facts the omission of which would make misleading any statement contained in this Circular, whether of fact or opinion.

Resolutions

The Resolutions to be proposed at the AGM are set out in full in the notice of AGM attached to this document and are self-explanatory.

Financial Statements

It is proposed that the Directors' and Auditors' reports and the financial statements for the financial year ended 31 December 2016 will be received and, if approved, adopted at the AGM. The Directors' and Auditors' reports and the financial statements were published on 7 June 2017 and are available on the Company's website (www.diversifiedgasandoil.com). If you are receiving this notice of AGM in hard copy, a copy of the Directors' and Auditors' reports and the financial statements are enclosed with this document.

Expenses

The costs and expenses of printing this Circular and of calling the AGM and any adjourned AGM will be met by the Company. The costs will be paid by the Company irrespective of whether or not the Resolutions are passed by the requisite majority at the forthcoming AGM.

Recommendation

The Board believes that approval of the Resolutions to be proposed at the AGM is in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions set out in the notice of AGM of the Company, as the Directors intend to do, or procure to be done, in respect of their own and their connected persons' beneficial holdings.

Action to be taken by Shareholders

(a) Annual General Meeting of Shareholders

The Resolutions are subject to Shareholder approval. A notice convening the AGM is set out at the end of this Circular.

A Form of Proxy for the AGM is enclosed with this Circular and you are requested to complete and post the Form of Proxy to the Company's share registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA ("Neville Registrars") by 10.00 a.m. (UK time) on 26 July 2017. The completion and return of a form of proxy will not prevent you from attending the AGM in person, speaking and voting if you wish to do so.

To be valid an instrument appointing a proxy and any power of attorney or other authority under which the proxy instrument is signed (or a notarially certified copy thereof) must be deposited at the above address as the case may be by 10.00a.m. (UK time) on 26 July 2017.

The majority required for the passing of the Ordinary Resolutions at the AGM is a simple majority of the total number of votes cast for and against such resolutions. The majority required for the passing of the Special Resolution at the AGM is 75%.

The quorum for the AGM is two or more Shareholders who are entitled to vote, present in person or by proxy or a duly authorised representative of a corporation which is a member. If, within five minutes after the time appointed for the AGM (or such longer interval not exceeding one hour as the Chairman may think fit to allow) a quorum is not present, the AGM shall stand adjourned to a day (but not less than 10 days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) the time and place to be decided by the Chairman, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present in person and by proxy shall be a quorum.

(b) Inspection of Documents

Copies of the following documents will be available for inspection at the Registered Office of the Company during normal business hours on any Business Day from the date of this Circular until the conclusion of the AGM and at the place of the AGM for at least 15 minutes prior to, and during, the AGM:

- (i) the Memorandum and Articles of Incorporation of the Company; and
- (ii) this Circular.

Further Information

If you have questions in this regard please do not hesitate to contact either Neville Registrars or Cargil Management Services Limited at telephone number 0121 585 1131 or 020 7637 5216, respectively.

Yours faithfully



Robert Marshall Post
Chairman

EXPECTED TIMETABLE

| | |
|---|-------------------------------------|
| Latest time and date for receipt of Forms of Proxy for Annual General Meeting | 10.00a.m. on 26 July 2017 |
| Time and date of Annual General Meeting | 10.00a.m. (UK time) on 28 July 2017 |
| Expected Effective Time of the Resolutions* | 10.00a.m. (UK time) on 28 July 2017 |

*(or, if later, the effective time and date upon which Shareholders approve the Resolutions)

DEFINITIONS

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

| | |
|--------------------------------------|--|
| Board or Directors | the board of directors of the Company |
| Act | the Companies Act 2006, as amended, supplemented or replaced from time to time |
| AGM or Annual General Meeting | the annual general meeting of the Company to be held on 28 July 2017 (or any adjournment thereof), notice of which is set out at the end of this Circular |
| Business Day | any day other than a Saturday or Sunday on which banks are open for normal banking business in London |
| Circular | this document including, for the avoidance of doubt, the Letter from the Chairman, Notice of Annual General Meeting and Form of Proxy |
| Company | Diversified Gas & Oil PLC |
| Effective Time | the time at which the Resolutions are expected to become effective, being 10.00a.m. on 28 July 2017 or such other time as the Directors may in their absolute discretion determine |
| Form of Proxy | the form of proxy appended to this Circular for use by Shareholders in voting at the AGM |
| Registered Office | 27/28 Eastcastle Street, London, W1W 8DH |
| Resolutions | the resolutions to be proposed at the AGM which are set out in the notice convening that meeting at the end of this Circular |
| Shares | the ordinary shares of £0.01 each in the capital of the Company |
| Shareholders | holders of Shares |

DIVERSIFIED GAS & OIL PLC (Company)
(incorporated in England and Wales with registered number 09156132)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 10.00 a.m. (UK time) on 28 July 2017 for the purpose of considering and, if thought fit, passing the following resolutions numbered 1 to 7 as Ordinary Resolutions and resolution 8 as a Special Resolution.

ORDINARY RESOLUTIONS

To consider and if thought fit pass the following resolutions, which will be proposed as ordinary resolutions:

- 1 **THAT** the annual report including the accounts and the reports of the Directors and Auditor for the financial year ended 31 December 2016 be received and adopted.
- 2 **THAT** the Company declare a final dividend of 1.99 cents for the year ended 31 December 2016 be distributed to the shareholders.
- 3 **THAT** Crowe Clarke Whitehill LLP be re-appointed as auditor of the Company until the next annual general meeting and that the Directors be authorised to determine the remuneration of the auditors.
- 4 **THAT** Robert “Rusty” Russell Hutson Jr, as a director of the Company, retires in accordance with Article 24.2 of the Company’s Articles of Association and is re-elected.
- 5 **THAT** Bradley Grafton Gray, as a director of the Company, retires in accordance with Article 19.2 of the Company’s Articles of Association and is re-elected.
- 6 **THAT** David Edward Johnson, as a director of the Company, retires in accordance with Article 19.2 of the Company’s Articles of Association and is re-elected.
7. **THAT:**
 - 7.1 the directors of the Company be generally and unconditionally authorised under section 551 of the Act to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the Act):
 - 7.1.1 up to £105,591.25 in respect of up to 10,559,125 new Shares issuable to satisfy awards made under the Company’s share option scheme;
 - 7.1.2 up to £42,290 in respect of up to 4,229,000 new Shares to satisfy the issue of new Shares pursuant to the Company’s warrant instruments; and
 - 7.1.3 otherwise than pursuant to 7.1.1 and 7.1.2 above, up to an aggregate nominal amount of £435,228.26;
 - 7.2 such authority shall expire (unless previously revoked by the Company) at the conclusion of the next annual general meeting of the Company and the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be granted after the authority has expired and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that this authority has expired; and

7.3 all previous authorities to allot equity securities to the extent unused, shall be revoked.

SPECIAL RESOLUTION

8. THAT:

8.1 The directors of the Company be generally and unconditionally empowered under section 570 of the Act) to exercise all the powers of the Company to allot equity securities for cash pursuant to the authorisation conferred by resolution 7 above as if section 561 of the Act did not apply to the allotment, provided that this power shall be limited to:

8.1.1 the allotment of equity securities (as defined in section 560 of the Act) in connection with an offer by way of a rights issue to:

8.1.1.1 ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and

8.1.1.2 holders of other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary, but subject to such exclusions and other arrangements as the directors may consider necessary or appropriate in relation to fractional entitlements, record dates, legal, regulatory or practical problems nor under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter;

8.1.2 otherwise than pursuant to 8.1.1 above, the allotment of up to an aggregate nominal amount of £105,591.25 in respect of up to 10,559,125 new Shares to satisfy awards made under the Company's share option scheme;

8.1.3 otherwise than pursuant to 8.1.1 and 8.1.2 above, the allotment of up to an aggregate nominal amount of £42,290 in respect of up to 4,229,000 new Shares to satisfy the issue of new Shares pursuant to the Company's warrant instruments; and

8.1.4 otherwise than pursuant to 8.1.1 to 8.1.3 above the allotment of further equity securities up to an aggregate nominal amount of £145,076.09;

8.2 such power shall expire (unless previously revoked by the Company) at the conclusion of the next annual general meeting of the Company and in each case 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 any such offer or agreement as if this power had not expired.

By Order of the Board

Registered Office:
27/28 Eastcastle Street
London
W1W 8DH

Cargil Management Services Limited

Company Secretary

Dated: 22 June 2017

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

- (a) Only those shareholders registered in the Company's register of members at:
 - (i) 10.00 a.m. (UK time) on 26 July 2017; or,
 - (ii) if this meeting is adjourned, at 10.00 a.m. (UK time) on the day two days prior to the adjourned meeting, shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- (b) Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at www.diversifiedgasandoil.com.
- (c) If you wish to attend the meeting in person, please attend the offices of Buchanan Communications Ltd, 107 Cheapside, London EC2V 6DN on 28 July 2017 at 10.00 a.m. (UK time) for the purpose of considering and, if thought fit, passing the proposed Resolutions.
- (d) If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies 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. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. To appoint more than one proxy, please contact the Company's share registrar on telephone number 0121 585 1131.
- (e) To be valid, an instrument appointing a proxy and any power of attorney or other authority under which the proxy instrument is signed (or a notarially certified copy thereof) must be deposited with the Company's share registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA ("Neville Registrars") by 10.00 a.m. (UK time) on 26 July 2017.
- (f) The completion and return of a proxy card will not affect the right of a member to attend, speak and vote in person at the meeting convened by this notice. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- (g) 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.
- (h) In the case of joint holders, where more than one of the joint holders completes a proxy appointment, 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).
- (i) Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

- (j) 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 Neville Registrars.
- (k) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment thereof by using the procedures described in the CREST manual. CREST personal members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by Neville Registrars Limited (ID: 7RA11) no later than 10.00 a.m. on 26 July 2017. Normal system timings and limitations will apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST member concerned to take 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 sponsor(s) or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 as amended.
- (l) 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.
- (m) A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to the Neville Registrars. In the case of a shareholder 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.
- (n) In either case, the revocation notice must be received by Neville Registrars no later than 10.00 a.m. (UK time) on 26 July 2017.
- (o) If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.
- (p) A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
- (q) As at 6.00 p.m. (UK time) on 21 June 2017, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 117,176,087 ordinary shares of £0.01 each. Assuming the passing of the Resolutions at the General Meeting of the Company convened for 30 June 2017, it is expected that the Company's issued share capital will comprise 145,076,087 ordinary shares of £0.01 each and therefore, the total number of voting rights in the Company on the resolutions proposed at this annual general meeting will be 145,076,087.

- (r) Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:
 - (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - (ii) the answer has already been given on a website in the form of an answer to a question; or
 - (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- (s) Copies of the service contracts of the executive directors and the non-executive directors' contracts for services are available for inspection at the Company's registered office during normal business hours and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.
- (t) The quorum for the meeting is two or more members, who are entitled to vote, present in person or by proxy or a duly authorised representative of a corporation which is a member.
- (u) The ordinary resolutions must be passed by a simple majority of the total number of votes cast for and against such resolution.
- (v) At the meeting the vote may be taken by show of hands or by poll. On a poll, every member, who is present in person or by proxy, shall be entitled to one vote for every share held by him.
- (w) If, within five minutes after the time appointed for the meeting (or such longer interval not exceeding one hour as the Chairman of the meeting may think fit to allow) a quorum is not present, the meeting shall stand adjourned to a day (but not less than 10 days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) the time and place to be decided by the Chairman, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present in person and by proxy shall be a quorum.

