

KUWAIT ENERGY PLC

**MATERIAL DIFFERENCES BETWEEN THE EXISTING ARTICLES OF ASSOCIATION
AND THE PROPOSED NEW ARTICLES OF ASSOCIATION**

No.	EXISTING ARTICLES OF ASSOCIATION	PROPOSED NEW ARTICLES OF ASSOCIATION
1	Articles 4.3-4.8 (Pre-emption rights) (i) Offer period is 15 days (ii) Pre-emption provision applies to all issues of equity securities	Article 7 (Pre-emption rights) (i) Offer period is at least 14 days (ii) Pre-emption provision does not apply to the issue of equity securities other than for cash (UK standard)
2	Article 6 (Variation of rights) The rights attaching to shares may be varied with the consent of holders of the majority of issued shares of that share class	Article 17(1) (Variation of rights) The rights attaching to shares may be varied with the consent of holders of two-thirds of issued shares of that share class
3	Article 17 (other provisions relating to transfers)	No equivalent article (although company still required to adhere to restrictions of United Nations Security Council and World Bank Listing of Ineligible Firms)
4	No equivalent article	Article 26-27 (Disclosure of interests in shares)
5	No equivalent article (although Jersey law requires the annual accounts to be filed with the Jersey Registrar of Companies within 7 months of the end of each financial year)	Article 28(2) (Annual general meetings) AGM to be held within 6 months of the end of each financial year
6	Article 20.1 (Notice of general meetings) General meetings require at least 14 clear days' notice	Article 33(1) (Length and form of notice (of general meetings)) An AGM requires not less than 21 clear days' notice (with all other general meetings requiring not less than 14 clear days' notice)
7	No equivalent article	Article 41 (General meeting at more than one place)

No.	EXISTING ARTICLES OF ASSOCIATION	PROPOSED NEW ARTICLES OF ASSOCIATION
8	Article 22.4 (Voting at general meetings) The chairman or any member has the right to demand a poll	Article 42(1) (Method of voting and demand for poll) (a) The chairman or (b) at least 5 members or (c) members representing one tenth of the total voting rights of members having the right to vote on the resolution, has the right to demand a poll
9	No equivalent article	Article 44 (Chairman's casting vote) The chairman has a casting vote at general meetings
10	No equivalent article	Article 51 (Matters requiring shareholder approval) Subject to Jersey law requirements, any decision relating to: <ul style="list-style-type: none"> (a) any change in the memorandum or articles of association will require a special resolution (b) any of the following matters shall require an ordinary resolution: <ul style="list-style-type: none"> - any change in the capital structure - listing, public offering or voluntary delisting of shares - any change in the nature of the primary business - any amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction that results in a change of control - liquidation, winding up, bankruptcy or analogous insolvency proceedings
11	Article 25.1 (Directors) (i) The minimum number of directors is two (ii) At least two directors shall be independent directors	Article 56 (Number of directors) (i) The minimum number of directors is three (ii) A majority of the board shall be independent directors
12	No equivalent article	Article 58 (2) (Election of directors by the Company) No person shall be elected a director at any general meeting unless: <ul style="list-style-type: none"> (a) he is recommended by the board; or (b) he is recommended by a member who provides the Company with notice of his intention to propose a resolution for the election of a proposed director not less than 14 days prior to the date of a general meeting, and in both cases he is recommended by the nomination committee

No.	EXISTING ARTICLES OF ASSOCIATION	PROPOSED NEW ARTICLES OF ASSOCIATION
13	No equivalent article	Article 59 (Separate resolutions for election of each director)
14	Article 28.1 (Appointment of directors) Directors are appointed by the board	Article 61 (Retirement of directors) All directors retire at every third AGM and are eligible for re-election (at that AGM)
15	No equivalent article	Article 65(1) (Power to appoint alternate directors) No director may appoint an alternate director without the prior approval of the nomination committee
16	Article 32.1 (Proceedings of directors) Requirement for the board to meet at least once every quarter of each financial year	Article 84(1) (Board meetings) Requirement for the board to hold not less than 4 board meetings per year
17	Article 32.3 (Proceedings of directors) The quorum for board meetings is a majority of the board	Article 86 (Quorum for board meeting) The quorum for board meetings is the higher of (a) three directors and (b) a majority of directors
18	Article 32.10 (Proceedings of directors) Each of the audit committee, nomination committee and remuneration committee shall consist of at least one independent director	Article 76(3) (Committees) Each of the audit committee, nomination committee and remuneration committee must consist of a majority of independent directors and be chaired by an independent director
19	No equivalent article	Article 76(4) (Committees) The main roles and responsibilities of each of the audit committee, nomination committee and remuneration committee shall be in accordance with the UK Corporate Governance Code from time to time
20	No equivalent article	Article 87(3) (Chairman or deputy chairman to preside) If the chairman is not independent, the nomination committee will also appoint one of the independent directors as the senior independent director (if not already appointed) whose main roles and responsibilities will be in accordance with the UK Corporate Governance Code from time to time

No.	<i>EXISTING ARTICLES OF ASSOCIATION</i>	<i>PROPOSED NEW ARTICLES OF ASSOCIATION</i>
21	No equivalent article	Article 125 (Internal auditing) Requirement for the board to ensure that there is an internal audit function which will report directly to the audit committee (save for administrative responsibility which shall be delegated to the executive management)