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2 June 2008

Gasol PLC

("Gasol" or "the Company")

Proposed acquisition of 80% of African LNG Holdings Ltd ("African LNG")

Approval of waiver of the obligation to make a mandatory offer under Rule 9 of the City Code on Takeovers and Mergers

Application for Re-Admission to AIM

Notice of General Meeting

Gasol shares resume trading

Gasol plc (AIM:GAS) is pleased to announce the publication of its re-admission document and circular ("Admission Document") in respect of the proposed acquisition from African Gas Development Corporation Limited ("AFGAS") of 80 per cent. of African LNG ("Acquisition"), the project company of which Gasol currently owns 20 per cent., to announce the resumption of trading of its shares to the AIM Market of the London Stock Exchange, and to announce the appointment of Mr Theo Oerlemans as Non-Executive Chairman.

Transaction highlights:

- Gasol shares resume trading today
- The proposed acquisition of 80% of African LNG is to be satisfied by the issue of 623,067,064 new fully paid Gasol shares ("Consideration Shares") which will be issued on completion of the Acquisition. The Consideration Shares will represent approximately 75 per cent. of the Company's enlarged share capital

It has been agreed that 497,442,866 Consideration Shares will be allotted and issued to AFGAS. The balance of the Consideration Shares will be allotted and issued to AFGAS's nominees, being the Gasol employee trust ("EBT") (50,624,198 Consideration Shares) and Synergy Asset Management Limited ("Synergy") (75,000,000 Consideration Shares)

- African LNG brings a combination of business opportunities at various stages of development, relationships and an experienced management team with significant experience in the oil and gas industry and liquefied natural gas ("LNG") in Africa
- On successful re-admission to the AIM, Mr Theo Oerlemans, currently Chairman of African LNG, will join the Gasol board as Non-Executive Chairman, and Mr Ethelbert Cooper, co-founder of Afren plc and African LNG, will become a Strategic Advisor to the Board
- The Acquisition will result in AFGAS acquiring control of the Company and amounts to a reverse takeover under the AIM Rules for Companies. Accordingly, the Acquisition is subject to a number of approvals from the Company's shareholders, such approvals shall be sought at an extraordinary general meeting of the Company on Tuesday 24 June 2008

ACQUISITION AND ADMISSION STATISTICS

Number of Existing Ordinary Shares of the Company	205,766,666
Total number of Consideration Shares proposed to be issued	623,067,064
Ordinary Shares in issue following completion of the Acquisition and Re-Admission (“Enlarged Issued Share Capital”) ¹	829,333,730
Number of Existing Ordinary Shares held by AFGAS (or its nominee)	25,000,000
Percentage of Existing Issued Share Capital held by AFGAS as at the date of the Admission Document	12.15 per cent.
Number of Consideration Shares to be issued to the EBT on Re-Admission	50,624,198
Percentage of Consideration Shares to be issued to EBT	8.12 per cent.
Number of Consideration Shares to be issued to Synergy on Re-Admission	75,000,000
Percentage of Consideration Shares to be issued to Synergy	12.04 per cent.
Number of Consideration Shares to be issued to AFGAS on Re-Admission	497,442,866
Percentage of Consideration Shares to be issued to AFGAS	79.84 per cent.
Number of Ordinary Shares held by AFGAS on Re-Admission	522,442,866
Percentage of Enlarged Issued Share Capital held by AFGAS on Re-Admission	63.00 per cent.

	Percentage of Enlarged Issued Share Capital (%)	Percentage of fully diluted Enlarged Issued Share Capital (%)
Percentage of Enlarged Issued Share Capital represented by:		
Existing Ordinary Shares	24.81 per cent.	22.93 per cent.
Consideration Shares	75.13 per cent.	69.43 per cent.

Note 1: Includes 500,000 Ordinary Shares issued to Jefferies with effect from Re-Admission.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date
Publication date of Admission Document	31 May 2008
Latest time and date for receipt of Forms of Proxy in respect of Extraordinary General Meeting	11.30 am on 20 June 2008
Extraordinary General Meeting	11.30am on 24 June 2008
Completion of the Acquisition, Re-Admission and dealings in the Enlarged Issued Share Capital expected to commence on AIM	25 June 2008
Expected crediting of CREST accounts (where applicable) by	25 June 2008

Commenting on the Acquisition, Soumo Bose, Chief Executive Officer of Gasol said:

“The acquisition of the remaining 80 per cent of African LNG is a key milestone for Gasol and its shareholders. The acquisition will strengthen further Gasol’s Board, its management team and its relationships in sub-Saharan Africa; I particularly look forward to Mr Theo Oerlemans joining the Gasol Board as Non-Executive Chairman. The acquisition also brings to Gasol a number of LNG business development opportunities in the region and will thus position Gasol to become the premier Africa-focused gas independent.”

Enquiries

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For details of the transaction, please see below. For the full Admission Document, please visit the Company’s website: www.gasol.co.uk

Introduction

Gasol was established to capitalise on opportunities in the gas sector; it came to the AIM market on 16 March 2005. The Company's strategy is to identify and secure appropriate acquisition, investment and strategic alliance opportunities. On 1 February 2006 the Company announced that it intended to focus initially on projects in the Gulf of Guinea in West Africa, with the objective to become the premier Africa-focused LNG independent.

In pursuit of this strategy the Company has, *inter alia*, acquired a 20 per cent. shareholding in African LNG and exercised its option to acquire the remaining 80 per cent. of African LNG, developed various strategic alliances in the gas chain, acquired majority shareholdings in AFGAS Infrastructure Limited and AFGAS Nigeria Limited to develop gas related infrastructure in the Gulf of Guinea, and recruited a management team with significant experience in LNG.

The African LNG Acquisition

On 22 August 2006, the Company entered into two option agreements with AFGAS to acquire the issued share capital of African LNG. Pursuant to the first of these agreements, the Company acquired 20 per cent. of the issued share capital of African LNG in September 2006.

Pursuant to the second of these agreements (the "Second Option Agreement"), in consideration for payment of £10 and exercise of the option in the First Option Agreement, AFGAS granted the Company the right to acquire the remaining 80 per cent. of the issued share capital of African LNG.

On 18 April 2008, the Company announced the temporary suspension of the Company's shares and the fact that the Company was in discussions regarding the potential exercise of its option under the Second Option Agreement.

On 7 May 2008, the parties entered into an agreement to amend and restate the terms of the Second Option Agreement. Pursuant to the terms of the Second Option Agreement (as amended and restated as at 7 May 2008), it has been agreed that on exercise of the option by the Company, the consideration payable shall be the issue of 623,067,064 Consideration Shares.

The Company determined the number of Consideration Shares to be issued based on:

- (a) the issue of share capital in relation to the size of the enlarged company;
- (b) the relative values of Gasol and African LNG; and
- (c) maintaining the same economic interest of the existing shareholders of Gasol in African LNG.

Accordingly, the number of Consideration Shares to be issued has been determined with regard to the Company's current 20 per cent. holding in African LNG, which the Directors and Proposed Director consider to be the principal asset of the Company, the remaining 80 per cent. of the issued share capital of African LNG it will acquire, and the issued share capital of the Company on 7 April 2008, being the date immediately prior to the Company's April 2008 Placing.

On 7 May 2008, the Company sent notification to AFGAS of the exercise of its option contained in the Second Option Agreement (as amended).

On completion of the Acquisition, the Company will have complete ownership and operational and financial control of African LNG. The Acquisition affirms the Company's strategy of focusing on Africa and building a substantial business working along the gas value-chain. The Company's acquisition of African LNG, together with its strategic relationships with governments, large energy companies, utilities and independents, and its joint ventures and strategic alliances with a number of parties including Afren plc, AFGAS and Teekay Corporation, provide the Group with a robust foundation for the future development of the Company in line with its strategy.

African LNG

The African LNG directors and senior management team

The directors of African LNG are Messrs Theo Oerlemans (Chairman), Ethelbert Cooper and Dr. Rilwanu Lukman.

Mr Oerlemans has more than 40 years experience in gas and LNG, developing and managing international gas business and multi-million projects and determining strategy. Mr Oerlemans holds an MSc in Engineering from the University of Delft, the Netherlands. He is currently Chairman of African LNG and Managing Director of Oerlemans Consultancy Ltd, which provides advisory services to clients in the energy sector. Previously he had a long and distinguished career at Shell, spending 35 years mostly in the development and management of Shell's international gas and LNG business. He had a leading role in the development of the Australian NWS LNG project. Subsequently, he was a Director of Shell International Gas Ltd where he was involved in the development of Shell LNG Projects such as Sakhalin, Oman, Brunei and Malaysia and from 1993 to 1997 Managing Director and Chief Executive of Nigeria LNG, playing a crucial role in developing this important and very successful project. Since his retirement from Shell, Mr Oerlemans has had an active role in LNG consultancy, in particular with Poten & Partners, Inc, providing advice to oil and gas majors, national oil companies, energy independents, utilities and banks on LNG-related strategies and transactions worldwide.

The Board has agreed that Mr Theo Oerlemans, currently a director of African LNG, will be appointed to the Board on Re-Admission. It is intended that Mr Theo Oerlemans will become Non-Executive Chairman of the Company.

Mr Cooper has been active in the African natural resources sector for over 25 years. During the 1980s he devised and led an initiative to restructure what, at the time, was Liberia's biggest industrial project - an iron ore mining company with capital investment of over \$600 million. Mr Cooper also formed Liberia's mining parastatal, whose management, marketing and financing requirements were contracted to Mr Cooper's companies. He is a founding member of the Liberian International Development Foundation. Mr Cooper was a member of the team that founded Afren plc and is a special advisor to the board of that company. Mr Cooper is also a founder and director of African LNG and AFGAS, and is a director of a number of other private companies, predominately in the oil & gas sector.

The Board of the Company is currently advised by Dr. Rilwanu Lukman and following Re-Admission, will be also advised by Mr Cooper.

African LNG also has a management team with significant experience in the oil and gas industry and uniquely of LNG in Africa. Pursuant to the terms of the Acquisition, these employees of African LNG are to be retained by the Enlarged Group and have entered into employment agreements with Gasol. The Enlarged Group will endeavour to ensure these individuals remain suitably incentivised and so remain with the Enlarged Group.

Accordingly, the Acquisition will result in the involvement and contribution of this team which will bring valuable experience to the Enlarged Group.

African LNG's business opportunities

(a) Afren plc

In 2006, African LNG and Gasol signed an agreement with Afren plc in which Afren plc agreed to grant to African LNG an exclusive right of first refusal to acquire natural gas from Afren plc.

Afren plc has a wide geographical spread of upstream activities in the Gulf of Guinea thus providing an opportunity for African LNG to follow a gas commercialisation strategy across the region. Since its

listing in 2005, Afren plc has expanded its portfolio – in Nigeria, the Joint Development Zone of Nigeria-São Tomé and Príncipe, Gabon, Angola, Congo Brazzaville, Côte d'Ivoire and Ghana.

Afren plc has signed Production Sharing Contracts for blocks OPL 907 and 917 in the gas rich Anambra Basin area of Nigeria. OPL 907 contains the Akukwa gas and condensate discovery, with estimated volumes of approximately 400 billion cubic feet of gas, whilst OPL 917 contains the Igbariam gas and oil discovery, with approximately 300 billion cubic feet of gas.

The combination of Afren plc's technical upstream capability with African LNG's gas commercialisation capacity is complementary, strengthening the capacities of both companies.

(b) E.ON Ruhrgas AG - Nigerian Gas Aggregation

African LNG has entered into a cooperation agreement with Afren plc and E.ON Ruhrgas AG to investigate the availability and accessibility of gas in Nigeria, with a focus on the Anambra Basin and South Eastern regions. The parties intend to develop, collect and monetise gas for domestic and export purposes in line with the Federal Government of Nigeria's Gas Master Plan.

The cooperation agreement sets out a work programme for evaluating this opportunity and for evaluating the set up of separate upstream and downstream vehicles; shareholding structures of which would be aligned. The evaluation includes a potential upstream company which is proposed to be a joint venture between Afren plc and E.ON Ruhrgas AG (the "GAC"), and will focus upon exploration and development of upstream assets to a certifiable basis. On the downstream side a joint venture between E.ON Ruhrgas AG and African LNG (the "LNGCo") is being evaluated; this will deliver gas, purchased from the GAC, to a central processing point, strip the gas of liquids such as LPG, supply lean gas to the domestic sector and liquefy the remainder for export. Most of the economic value in such an arrangement would be in the export opportunity; rights to market LNG worldwide would be broadly aligned with the shareholdings of LNGCo.

African LNG, together with Afren plc, is currently working with cooperation partners evaluating the opportunity through a number of joint study groups focussing upon upstream data from gas field owners, including composition of gas, exploration and development cost, expected volumes, output and extraction rates. In addition, the joint groups are evaluating the cost of infrastructure development including the upgrade of production facilities, gas collection network cost and routing, and gas delivery network. The choice regarding the size of any potential liquefaction facility, the location of the aggregation point and the technology to be used has yet to be made as well as necessary approvals to be obtained.

(c) Rights to market gas from Equatorial Guinea

AFGAS has been working with SONAGAS, under a joint venture agreement to monetise flared gas located offshore in Equatorial Guinea waters.

AFGAS has entered into an agreement with African LNG under which its rights to sell and market lean gas or LNG have been assigned to African LNG. AFGAS has agreed to procure any necessary third party consent to such assignment as soon as practicable. AFGAS and African LNG have entered into a declaration of trust pursuant to which AFGAS has agreed to hold the assigned rights on trust for African LNG until all necessary consents are obtained.

(d) Other Regional Initiatives

African LNG is considering business development opportunities in other sub-Saharan countries, which offer potentially stranded gas reserves with currently no clear monetisation path.

African LNG Services Limited

African LNG Services Limited is a wholly owned subsidiary of African LNG which provides services to the holding company and is responsible for downstream development of gas monetisation solutions.

For the year ended 31 July 2007, African LNG reported a post tax loss of £481,014.

Relationship agreement

On 31 May 2008 and pursuant to the terms of the Second Option Agreement (as amended and restated on 7 May 2008), the Company entered into a relationship agreement with AFGAS to regulate the relationship between them following Re-Admission. Pursuant to this agreement, AFGAS has provided certain undertakings to the Company in respect of its controlling interest in the Company following completion of the Acquisition. A summary of the principal terms of this agreement is set out in paragraph 15 of Part IX of the Admission Document.

Regulatory Requirements

Reverse Takeover and Related Party Transaction

The Acquisition constitutes a reverse takeover under the AIM Rules for Companies. Further, because AFGAS is a substantial shareholder of the Company, the Acquisition is also considered a related party transaction under the AIM Rules.

The Independent Directors of the Company, having consulted with Jefferies International Limited (“Jefferies”), the Company’s Nominated Adviser, consider the terms of the transaction to be fair and reasonable insofar as its shareholders are concerned. The Independent Directors comprise all members of the current Board of the Company to the exclusion of Mr Soumo Bose. Because Mr Bose will be granted additional options to subscribe for shares in the Company subject to completion of the Acquisition, Mr Bose has an interest in this transaction.

City Code on Takeovers and Mergers

On Re-Admission, AFGAS and those deemed to be acting in concert with it will hold 522,742,866 Ordinary Shares representing approximately 63.03 per cent. of the Enlarged Issued Share Capital and consequently the transaction falls within the ambit of Rule 9 of the City Code on Takeovers and Mergers (“City Code”). Under the City Code, this would require AFGAS (and persons deemed to be acting in concert with it) to make a general offer to the shareholders of the Company to acquire the balance of Gasol’s equity share capital. However, the Panel on Takeovers and Mergers (the “Panel”) has agreed, subject to Resolution 2 of the Extraordinary General Meeting (refer below) being passed on a poll by independent shareholders, to waive this obligation (the “Waiver”).

Further details are set out in the Independent Directors’ letter in the Admission Document.

Extraordinary General Meeting

Completion of the Acquisition is conditional upon, *inter alia*, the publication of the Admission Document on the enlarged Company, the granting of the Waiver by the Panel and the approval of the Company’s shareholders at the forthcoming extraordinary general meeting in respect of a number of Resolutions including, amongst others, approval of the reverse takeover and the Waiver granted by the Panel.

An Extraordinary General Meeting to be held at the offices of Kirkpatrick & Lockhart Preston Gates Ellis LLP, 110 Cannon Street, London EC4N 6AR at 11.30am on Tuesday 24 June 2008 for the purposes of considering and, if thought fit, approving the following Resolutions:

- Resolution 1 is an ordinary resolution to approve the Acquisition for the purposes of the AIM Rules;
- Resolution 2 is an ordinary resolution to approve the Waiver;
- Resolution 3 is an ordinary resolution to increase the Company's authorised share capital to 2,000,000,000 by the creation of 1,200,000,000 new Ordinary Shares of 0.5p each;
- Resolution 4 is an ordinary resolution to authorise the directors under Section 80 of the CA 1985 to allot relevant securities up to an aggregate nominal value of £8,971,166.67, such authority expiring at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this Resolution, whichever is earlier;
- Resolution 5 is an ordinary resolution to ratify payments made to Non-Executive Directors of the Company in excess of the maximum limit set out in the Articles of Association of Gasol for the financial year ended 29 February 2008;
- Resolution 6 is an ordinary resolution to approve the increase in remuneration for Non-Executive Directors in accordance with the Articles of Association of Gasol; and
- Resolution 7 is a special resolution to dis-apply the statutory pre-emption rights contained in Section 89(1) of the CA 1985 in connection with an offer of equity securities made on a pre-emptive basis and also to allot such securities on a non-pre-emptive basis up to a maximum nominal amount of £8,971,166.67, such authority expiring on expiration of the authority provided pursuant to Resolution 4.

In accordance with the requirements of the Panel, Resolution 2 to approve the Waiver, will be taken on poll of shareholders, excluding AFGAS and any person deemed to be acting in concert with it.

Directors' Intentions

Dr. Charles Osezua has irrevocably undertaken to vote in favour of the Resolutions in respect of his beneficial holding of 333,333 Ordinary Shares, which represents approximately 0.16 per cent. of the current issued ordinary share capital of the Company.

Recommendation

The Independent Directors, who have been so advised by Jefferies, consider that the Proposals are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. In giving its advice to the Independent Directors, Jefferies has taken into account the Independent Directors' commercial assessments.

Accordingly:

- (a) the Independent Directors recommend the Shareholders to vote in favour of Resolution 1 and the Independent Shareholders to vote in favour of Resolution 2 to be proposed at the Extraordinary General Meeting; and**
- (b) the Directors recommend the Shareholders to vote in favour of Resolutions 3, 4 and 7 to be proposed at the Extraordinary General Meeting; and**
- (c) as Resolutions 5 and 6 relate to the remuneration of the Non-Executive Directors of the Company, the Directors make no recommendation in respect of such Resolutions.**

Additional information to be disclosed regarding Theo Oerlemans in relation to Schedule Two paragraph (g) and Schedule 4 of the AMI Rules can be found below:

Current Directorships

Oerlemans Consultancy Limited

Mr. Oerlemans will receive a fee of £45,000 per annum in his role as Non-Executive Chairman of the Company

Unless defined in this announcement, the defined terms in this announcement have the same meaning as defined in the Admission Document. The Admission Document is available at www.gasol.co.uk.