



Notice of Annual General Meeting

MADAGASCAR OIL LIMITED

(a Bermuda exempt company incorporated in Hamilton, Bermuda and bearing registration number EC-37901)

LETTER FROM THE CHAIRMAN

MADAGASCAR OIL LIMITED

*(a Bermuda exempt company
incorporated in Hamilton, Bermuda
and bearing registration number EC-37901)*

Directors:

John Laurie Hunter (Chairman and Chief Executive Officer)
Mark Field Weller (Chief Operating Officer)
Andrew James Morris (Non-Executive Director)
Ian Colin Orr-Ewing (Non-Executive Director)
Ian Christopher Simon Barby (Non-Executive Director)
John Alexander van der Welle (Non-Executive Director)

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

NOTICE OF ANNUAL GENERAL MEETING

Dear Shareholder

1 INTRODUCTION

The Board of Directors of the Company would like to take this opportunity to provide you with Notice of the Annual General Meeting (the "AGM") of Madagascar Oil Limited (the "Company").

The AGM will be held in Houston on 5 October 2012 at the office of the Company located at 2180 North Loop West, Ste. 500, Houston, Texas 77018 at 10:00am (Central time).

Shareholders of the Company are invited to attend and vote at the AGM.

2 RESOLUTIONS

The resolutions to be proposed at the AGM are set out in full in the notice of meeting attached to this document.

The ordinary business to be proposed at the AGM is to:

- (a) re-elect Mark Field Weller and as a Class II Director of the Company, who retires in accordance with the Bye-Laws of the Company and offers himself for re-election so as to serve until the end of the 2015 Annual General Meeting for the financial year ending 31 December 2014 or until his successor is elected or appointed;
- (b) re-elect Andrew James Morris and as a Class II Director of the Company, who retires in accordance with the Bye-Laws of the Company and offers himself for re-election so as to serve until the end of the 2015 Annual General Meeting for the financial year ending 31 December 2014 or until his successor is elected or appointed;
- (c) re-appoint BDO Seidman as the Company's Auditors to serve until the next Annual General Meeting and to delegate the setting of the remuneration therefore to the board of Directors.

The ordinary business requires the approval of over 50% of the votes cast by shareholders in attendance at the AGM (whether in person or by proxy) to be validly passed.

The special business to be proposed at the AGM is to:

- (d) in substitution for all existing authorities to the extent unutilised, grant the Directors of the Company the authority to allot Equity Securities (as such term is defined in the Company's Bye-Laws) as if pre-emption rights did not apply to any allotment up to an aggregate nominal value of US\$77,000.00.

This special business requires the approval of at least 75% of the votes cast by shareholders in attendance at the AGM (whether in person or by proxy) to be validly passed.

3 FINANCIAL STATEMENTS

The audited financial statements for the financial year ended 31 December 2011 will be presented to shareholders at the AGM.

A copy of the audited financial statements is contained within the Company's 2011 Annual Report which has previously been distributed to you and is available on the Company's website (www.madagascaroil.com).

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the audited financial statements and on the business, operations and management of the Company.

4 WAIVER OF PRE-EMPTION RIGHTS

Pursuant to Bye-Law 5.1 of the Company's Bye-Laws, the Directors of the Company have the authority to allot the unissued share capital of the Company to any such person, at such times and for such consideration and upon such terms and conditions as the Board may determine.

It is proposed that the Directors be empowered to allot Equity Securities (within the meaning of Bye-Law 6.7.1 of the Company's Bye-Laws) in certain circumstances as if pre-emption rights did not apply including allotments for cash up to an aggregate nominal value of US\$77,000.00 (such amount being equal to approximately 30% of the issued share capital of the Company as at the date of the attached notice of the Meeting). This authority will lapse (unless such authority is previously renewed, varied or revoked by the Company in a general meeting) on the earlier of the date falling 15 months after the passing of the resolution and the conclusion of the next AGM of the Company in 2013.

This authority will enable the Company to raise funds in the future to accelerate development of the Company's assets and to meet general working capital requirements if the Directors consider this appropriate and in the best interests of the Company.

5 ACTION TO BE TAKEN

In accordance with the Company's Bye-Laws, only holders of common shares in the Company ("Shareholders") of record on 6 September 2012 will be entitled to receive notice of the AGM and only shareholders of record on 3 October 2012 will be entitled to attend and vote at the Meeting. To the extent that a Shareholder has transferred any common shares of the Company at the date of the AGM, the Shareholder will be deemed to be acting as proxy for the new holder of the common shares (as will any proxy appointed by that Shareholder). Shareholders who are unable to attend the AGM in person are requested to complete and return the enclosed form of proxy to the Company's registrars, Computershare Investor Services PLC, ("Computershare"), The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom, by 4.00pm (UK time) on 3 October 2012.

Holders of Depositary Interests ("DI") should vote through the CREST voting system or return their Form of Instruction no later than 4.00pm (GMT) on 2 October 2012. Voting will not prevent a DI holder (or a representative of that holder) from attending the AGM and voting in person. To attend and vote at the meeting please contact Computershare by emailing [!UKALLDITeam2@computershare.co.uk](mailto:UKALLDITeam2@computershare.co.uk) no later than 4.00pm (GMT) on 2 October 2012.

6 RECOMMENDATION

The Directors consider that the proposed resolutions are in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors unanimously recommend (other than Mark Field Weller and Andrew James Morris in respect of their own re-election) that you vote in favour of the resolutions proposed at the AGM.

Yours faithfully



John Laurie Hunter
Chairman and Chief Executive Officer

MADAGASCAR OIL LIMITED
(a Bermuda exempted company
incorporated in Hamilton, Bermuda
and bearing registration number- EC 37901)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Madagascar Oil Limited (the "Company") will be held on 5 October 2012 in Houston, Texas at the office of the Company located at 2180 North Loop West, Suite 500, Houston, Texas 77018 at 10:00 am (Central time).

ORDINARY RESOLUTIONS

- 1** To re-elect Mark Field Weller as a Class II Director of the Company, who retires in accordance with the Bye-Laws of the Company and offers himself for re-election so as to serve until the end of the 2015 Annual General Meeting for the financial year ending 31 December 2014 or until his successor is elected or appointed;
- 2** To re-elect Andrew James Morris as a Class II Director of the Company, who retires in accordance with the Bye-Laws of the Company and offers himself for re-election so as to serve until the end of the 2015 Annual General Meeting for the financial year ending 31 December 2014 or until his successor is elected or appointed; and
- 3** To re-appoint BDO Seidman as the Company's Auditors until the next Annual General Meeting and to authorise the Directors to determine their remuneration.

SPECIAL RESOLUTION

- 4** In substitution for all existing authorities to the extent unutilised, the Directors be and are hereby generally empowered to allot Equity Securities (within the meaning of Bye-Law 6.7.1 of the Company's Bye-Laws) for cash pursuant to the authority in Bye-Law 5.1 of the Company's Bye-Laws as if pre-emption rights under the Bye-Laws or otherwise did not apply to any such allotment provided that this power shall be limited to the allotment of Equity Securities:
 - (a) arising from the exercise of options or warrants or the conversion of any other convertible securities outstanding at the date of this resolution; and
 - (b) other than pursuant to (a) above, for cash up to an aggregate nominal value of US\$77,000.00,

and this power shall, unless previously revoked or varied by a special resolution of the Company in a general meeting, expire on the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the next Annual General Meeting of the Company in 2013. 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.

The audited financial statements for the financial year ended 31 December 2011 will also be presented to Shareholders at the Annual General Meeting.

By Order of the Board


John Laurie Hunter
Chairman and Chief Executive Officer

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Dated 6 September 2012

1. As a holder of common shares in the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. A proxy need not be a shareholder of the Company.
2. In the case of joint holders, the vote of the person first named in the register of shareholders tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
3. In the case of a corporation, the form of proxy must be expressed to be executed by the corporation and must be executed under its common seal, or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
4. To be valid, the form of proxy and any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority must be deposited with the registrars of the Company, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom, **by no later than 4.00pm (UK time) on 3 October 2012.**
5. The completion and return of a proxy card will not affect the right of a shareholder to attend, speak and vote in person at the meeting convened by this notice.
6. 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.
7. To direct your proxy how to vote on the resolutions mark the appropriate box with an "X". To abstain from voting on a resolution, select the relevant "withheld" box. 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.
8. Holders of Depositary Interests ("DI") should vote through the CREST voting system or return their Form of Instruction no later than 4.00pm (GMT) on 2 October 2012. Voting will not prevent a DI holder (or a representative of that holder) from attending the AGM and voting in person. To attend and vote at the meeting please contact Computershare by emailing !UKALLDITeam2@computershare.co.uk no later than 4.00pm (GMT) on 2 October 2012.

Form of Proxy - Annual General Meeting to be held on 5 October 2012



View the Annual Report online: www.madagascaroil.com

Read, print and download your annual report electronically.

visit: www.investorcentre.co.uk/je

Register today and manage your shareholding online!

Change your
address



View your
Shareholding



**To be effective, all proxy appointments must be lodged with the Company's Registrars at:
c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 3 October 2012 at 4.00 pm BST.**

Explanatory Notes:

- Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided (see reverse). If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name (see reverse) the number of shares in relation to which they are authorised to act as your proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes (or if this proxy form has been issued in respect of a designated account for a shareholder, the proxy will exercise his discretion as to whether, and if so how, he votes).
- To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0870 707 4040 or you may photocopy this form. Please indicate in the box next to the proxy holder's name (see reverse) the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- The 'Vote Withheld' option overleaf is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
- Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- The above is how your address appears on the Register of Members. If this information is incorrect please ring the Registrar's helpline on 0870 707 4040 to request a change of address form or go to www.investorcentre.co.uk/je to use the online Investor Centre service.
- Any alterations made to this form should be initialled.
- The completion and return of this form will not preclude a member from attending the meeting and voting in person.
- In the case of joint holders, the vote of the person first named in the register of shareholders tendering a vote will be accepted to the exclusion of the votes of other joint holders.

Kindly Note: This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different: (i) account holders; or (ii) uniquely designated accounts. The Company and Computershare Investor Services (Jersey) Limited accept no liability for any instruction that does not comply with these conditions.

All Named Holders

Form of Proxy

Please complete this box only if you wish to appoint a third party proxy other than the Chairman.
Please leave this box blank if you want to select the Chairman. Do not insert your own name(s).



I/We hereby appoint the Chairman of the Meeting OR the person indicated in the box above as my/our proxy to attend, speak and vote in respect of my/our full voting entitlement* on my/our behalf at the Annual General Meeting of Madagascar Oil Limited to be held at **the offices of the Company, 2180 North Loop West, Suite 500, Houston, Texas 77018, USA** on 5 October 2012 at **10.00 am Eastern Time**, and at any adjourned meeting.

* For the appointment of more than one proxy, please refer to Explanatory Note 2 (see front).

Please mark here to indicate that this proxy appointment is one of multiple appointments being made.

Please use a **black** pen. Mark with an **X** inside the box as shown in this example.



Ordinary Resolutions

1. To re-elect Mark Field Weller as a Class II Director of the Company.

For	Against	Vote Withheld
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. To re-elect Andrew James Morris as a Class II Director of the Company.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3. To re-appoint BDO Seidman as the Company's Auditors until the next Annual General Meeting and to authorise the Directors to determine their remuneration.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Special Resolution

4. In substitution for all existing authorities to the extent unutilised, grant the Directors of the Company the authority to allot Equity Securities (as such term is defined in the Company's Bye-Laws) as if pre-emption rights did not apply to any allotment up to an aggregate nominal value of US\$77,000.00

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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I/We instruct my/our proxy as indicated on this form. Unless otherwise instructed the proxy may vote as he or she sees fit or abstain in relation to any business of the meeting.

Signature

Date

DD / MM / YY

In the case of a corporation, this proxy must be given under its common seal or be signed on its behalf by an attorney or officer duly authorised, stating their capacity (e.g. director, secretary).

