

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor or other independent professional adviser authorised under the Financial Services and Markets Act 2000. This document does not constitute an offer for sale of any Ordinary Shares or the Convertible Bonds.

13.3.1(4)

If you have sold or transferred all of your Ordinary Shares, please send this document and the accompanying form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred part of your registered holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

13.3.1(6)

Venture Production plc

(incorporated and registered in Scotland under number SC169182)

Proposed subscription by ArcLight and the 3i Investors for £151,000,000 of 3.25 per cent. convertible unsecured bonds at par and proposed amendment to borrowing powers Notice of Extraordinary General Meeting

13.8.1(1)

Notice of an Extraordinary General Meeting of the Company, to be held at The Copthorne Hotel, Huntly Street, Aberdeen AB10 1SU at 2.00 p.m. on Wednesday 15 August 2007 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the Extraordinary General Meeting. The Form of Proxy should be completed and returned to the Company's registrars, Lloyds TSB Registrars, The Causeway, Worthing BN99 6DA in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 2.00 p.m. on Monday 13 August 2007. Proxy votes may also be registered electronically by going to www.sharevote.co.uk and following the on-screen instructions. Shareholders will need their reference number, proxy card ID and account number printed on the proxy card. To be valid, electronic proxies must be lodged not later than 48 hours before the time fixed for the meeting. Shareholders should not show these details to anyone unless they wish them to give proxy votes on their behalf. CREST users should note that they can lodge their proxy votes for the meeting through the CREST Proxy Voting system. For further instructions users should refer to the CREST User Manual. Any CREST Sponsored Member should contact their CREST Sponsor.

The Convertible Bonds and the New Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), nor under the securities legislation of any state of the United States. Accordingly, subject to certain exceptions, the Convertible Bonds and the New Ordinary Shares may not directly or indirectly be offered or sold within the United States or to or for the account or benefit of any US person (as defined in Regulation S under the Securities Act). The Convertible Bonds and the New Ordinary Shares are "restricted securities" as defined in Rule 144 promulgated under the Securities Act. The Convertible Bonds and the New Ordinary Shares are being offered within the United States pursuant to exemptions from the registration requirements of the Securities Act. The Convertible Bonds and the New Ordinary Shares may not be offered, resold, pledged or otherwise transferred in the United States or to, or for the account or benefit of, any US Person (as defined in Regulation S under the Securities Act) except: (a)(i) in an offshore transaction meeting the requirements of Regulation S under the Securities Act, (ii) pursuant to an available exemption from the registration requirements of the Securities Act, or (iii) pursuant to an effective registration statement under the Securities Act; and (b) in accordance with all applicable securities laws of the states of the United States and other jurisdictions. The Convertible Bonds and the New Ordinary Shares have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Subscription or the accuracy or adequacy of this document. Any representation to the contrary is unlawful. Investors should be aware that they must be able to bear the economic risk of their investment for an indefinite period of time.

The Convertible Bonds are being offered and sold in the United States only to ArcLight's affiliate which is an "accredited investor", as defined in Rule 501(a) under the Securities Act, in a private sale exempt from the registration requirements of the Securities Act. ArcLight's affiliate will be deemed to have represented and agreed, among other things, that it is an accredited investor.

Application has been made to the UK Listing Authority for the New Ordinary Shares to be admitted to listing on the Official List of the Financial Services Authority and to trading on the main market of the London Stock Exchange.

13.3.1(9)(h)

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2007</i>	
Latest time and date for receipt of forms of proxy	2.00 p.m. on Monday 13 August	
Time and date of Extraordinary General Meeting	2.00 p.m. on Wednesday 15 August	
Admission and first day of dealings in the New Ordinary Shares	Tuesday 24 July	13.3.1(9)(a)

DEFINITIONS

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

“3i”	3i Group plc
“the 3i Investors”	together, 3i Group plc, 3i Global Growth 2006-08 LP, 3i Pan European Growth 2006-08 LP, Oil Gas & Power Co-invest 2006-08 LP, and Global Growth Co-invest 2006-08 LP
“Acquisition”	the proposed acquisition of the shares in NSGP held by ArcLight by the Company under the terms of the Sale and Purchase Agreement
“Admission”	application to the Financial Services Authority and to the London Stock Exchange for admission of the New Ordinary Shares to listing on the Official List and to trading on the main market of the London Stock Exchange becoming effective
“ArcLight”	ArcLight Capital Partners, LLC through its affiliate NSGP Holdings Limited
“Articles”	the articles of association of the Company
“Board” or “Directors”	the board of directors of the Company, whose names appear on page 5 of this document
“Mboepd”	millions of barrels of oil equivalent per day
“Bond Instrument”	the instrument to be executed by the Company constituting the Convertible Bonds
“Bond Subscription”	the proposed subscription by ArcLight and the 3i Investors for the Convertible Bonds
“Company” or “Venture Production”	Venture Production plc
“Convertible Bonds”	the £151,000,000 3.25 per cent. unsecured convertible bonds due 2010 proposed to be issued by the Company to the 3i Investors and ArcLight pursuant to the Bond Subscription
“CREST”	a relevant system (as defined in the Regulations) in respect of which CRESTCo is the Operator (as defined in the Regulations)
“CRESTCo”	Euroclear UK & Ireland Limited
“CREST Manual”	the CREST manual published by CRESTCo as amended or updated from time to time
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 2.00 p.m. on Wednesday 15 August 2007 (or any adjournment of it)
“Form of Proxy”	the proxy form sent to Shareholders with this document for use by Shareholders at the Extraordinary General Meeting
“Group”	Venture Production and its subsidiaries
“Investors”	together, the 3i Investors and ArcLight
“London Stock Exchange”	London Stock Exchange plc
“MMboe”	millions of barrels of oil equivalent

“New Ordinary Shares”	the 6,033,906 Ordinary Shares allotted and issued pursuant to the Sale and Purchase Agreement
“NSGP”	North Sea Gas Partners Limited
“Official List”	the Official List of the UK Listing Authority
“Ordinary Shares”	ordinary shares of 0.4 pence each in the capital of the Company
“Registrars”	Lloyds TSB Registrars, The Causeway, Worthing BN99 6DA
“Regulations”	the Uncertificated Securities Regulations 2001 No. 3755, as amended from time to time
“Resolutions”	the resolutions to be proposed at the EGM whereby pre-emption rights are disapplied in respect of the issue of the Convertible Bonds and the borrowing powers in the Articles are increased
“Sale and Purchase Agreement”	the agreement entered into by the Company and ArcLight relating to the acquisition of NSGP
“Shareholders”	holders of Ordinary Shares
“Share Option Schemes”	the unapproved share option scheme established by the Company on 7 May 1998; the employee share option scheme established by the Company in March 2002; the share incentive plan established by the Company in October 2003; the long term incentive plan which ran from 1 January 2003 to 31 December 2006; the long term incentive plan established by the Company in June 2006; the employee annual bonus plan established by the Company in 2006; and the annual deferred share bonus plan established by the Company on 2 June 2005
“Subscription Agreement”	the conditional agreement entered into by the Company, the 3i Investors and ArcLight details of which are set out in the paragraph on page 9 of this document entitled “Bond Subscription arrangements”
“Subscription Proceeds”	the £151,000,000 (before expenses) proposed to be raised by the Company pursuant to the Bond Subscription
“UKCS”	United Kingdom Continental Shelf
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part IV of the Financial Services and Markets Act 2000, as amended from time to time
“US” or “United States” or “United States of America”	the United States of America, its possessions and territories, all areas subject to its jurisdiction or any political sub-division thereof, any state of the United States of America and the District of Columbia

Unless otherwise indicated, all references in this document to “pounds sterling”, “£”, “pence” or “p” are to the lawful currency of the United Kingdom.

Letter from the Chairman of the Company

Venture Production plc

(Incorporated and registered in Scotland under number SC169182)

Directors:

John Charles Morgan (*Chairman*)
Mark Patrick Nicholls (*Senior Non-executive Director*)
Michael John Wagstaff (*Chief Executive*)
Marie-Louise Clayton (*Finance Director*)
Jonathan David Murphy (*Chief Operating Officer*)
Roderick McIntosh Begbie (*Corporate Development Director*)
Thomas Blades (*Non-executive Director*)
Thomas Ehret (*Non-executive Director*)
Alan Morrison Jones (*Non-executive Director*)
Laurence William Kinch (*Non-executive Director*)

Registered Office:

34 Albyn Place
Aberdeen
AB10 1FW

19 July 2007

To Shareholders and, for information only, to the holders of options under the Share Option Schemes

Dear Shareholder,

Proposed investments by ArcLight and the 3i Investors and proposed increase in borrowing powers

Introduction

13.3.1(1)

Venture Production plc (“the Company” or “Venture Production”) announced on 19 July 2007, a strategic partnership with, and proposed capital subscriptions by, ArcLight and the 3i Investors to further the strategic objectives of the Company. The Company is proposing to raise £151 million (before expenses) through the conditional subscription by ArcLight and the 3i Investors for cash for the Convertible Bonds, and has agreed to acquire the interest held by ArcLight in NSGP which the Group does not already own, in exchange for the issue of 6,033,906 Ordinary Shares valued at £46.6 million to ArcLight.

As the Convertible Bonds are not being offered to existing Shareholders and contain terms allowing the holders to convert them into new Ordinary Shares, it is necessary to disapply statutory pre-emption rights which requires the approval of Shareholders. In addition, Shareholders’ approval is required for an amendment to the Articles in order to increase the borrowing powers of the Company to allow the Company to increase its debt facilities in the future. The Acquisition is not conditional upon Shareholders’ approval and no such approval is sought.

13.8.2(1)

13.3.1(2)

The purpose of this document is to provide you with details of the Bond Subscription and the Acquisition and to explain why the Board considers that these are in the best interests of Shareholders as a whole and recommends that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

13.8.1(3)

13.8.1(5)

Background to and reasons for the Bond Subscription and the Acquisition

13.3.1(3)

Since it entered the UK sector of the North Sea in April 2000, Venture Production has built its business through the acquisition and development of proved but underexploited or ‘stranded’ reserves. Generally, this involves significant additional capital investment in the oil and gas fields after acquisition to increase production and recoverable reserves.

Venture Production has chosen to focus its activities in specific core areas within the North Sea to build production hubs consisting of multiple fields sharing common geological characteristics, hydrocarbon type, production facilities, export route and common ultimate market for its production. Building these production hubs offers Venture Production economies of scale and efficiencies of operations which Venture Production

believes gives it a competitive advantage in these areas. Venture Production currently has four production hubs: the more mature 'Trees', 'A' Fields and GKA hubs and the recently acquired GMA hub.

Venture Production has boosted the average annual production from these three more mature hubs from approximately 1.4 Mboepd in 2000 to approximately 43.3 Mboepd in 2006 and increased proved and probable ("2P") reserves in these three hubs from 31 MMboe at the end of 2005 to 106 MMboe at the end of 2006. Over the same period, in these three hubs Venture Production has recovered in excess of its total investment from operating cashflow.

Over the last three years, Venture Production has focused on becoming a low-cost, efficient development and production operator and today ranks as the sixth largest independent operator in the UK sector of the North Sea by gross operated production. In a mature basin such as the North Sea, Venture Production believes that its operating capability, size, scale and strategic and geographic focus give it a strong competitive position.

In recent months, driven by the fundamentals in the global oil and gas industry, Venture Production has seen a significant increase in levels of asset trading activity in the UKCS compared to the last few years. This activity is consistent with historical patterns seen in other mature basins such as the US Gulf of Mexico where, as the basin matures, ownership of substantial proportions of the basin's oil and gas reserves has migrated from larger international oil companies to more regionally focused independents.

Venture Production believes that it is competitively positioned to capitalise on this consolidation trend, which it believes will create significant opportunities for Venture Production to expand its business. Venture Production is therefore seeking to strengthen its financial position to take advantage of this opportunity. In addition to raising capital through the Bond Subscription, Venture Production is currently negotiating an increase in the amount and flexibility of its debt facilities to better enable it to expand its business through acquisitions.

Through the Bond Subscription and the Sale and Purchase Agreement, Venture Production is seeking to bring two longer term strategic investors into Venture Production to make an investment of over £200 million to support Venture Production in building its North Sea business. Both ArcLight and 3i are experienced North Sea investors with substantial capital resources and a history of supporting Venture Production through sizeable investments in the Company. In addition, the Investors have each expressed an interest in considering substantial additional future equity investments if requested (subject to agreement of terms and their respective internal approvals) to help Venture Production execute its North Sea consolidation strategy. This strategic investment is intended to form the basis of a longer term relationship with the Investors which involves the addition of one representative from each Investor to the Board of Venture Production. It is the intention of the Board that, if further equity is required to fund future investments all the then current Shareholders will be given the opportunity to participate in accordance with investor protection committee guidelines and the listing rules of the UK Listing Authority.

In Venture Production's experience, acquisition opportunities are competitive. In order to be successful, it is necessary to move rapidly and decisively and to offer certainty of funding to vendors. The Bond Subscription and the further potential funding by the Investors provides Venture Production with considerable additional financial firepower and credibility as a potential purchaser of assets in this context. Furthermore, both Investors have considerable experience in the oil and gas sector, adding further capabilities to the Board as described below.

If over time the Board determines that the Group has accumulated capital in excess of that required to execute the Company's ongoing acquisition and development strategy, then it is intended that any such surplus capital will be returned to Shareholders. The Board has demonstrated its commitment to efficient capital management and capital returns to Shareholders through the recently announced ordinary and special dividends totalling £66 million.

Strategic relationship with ArcLight and 3i

Venture Production has had a successful relationship with 3i and ArcLight, which are both large private equity investors with long and successful track records of investing in the upstream energy sector.

13.3.1(3)

13.8.3(1)

3i is a world leader in private equity and venture capital with operations in Europe, the United States and Asia. 3i is active across all stages of funding. From early-stage venture capital to growth capital, buyouts and infrastructure, 3i invests approximately £1.4 billion a year in some of the most exciting and ambitious companies in the world. 3i is the only FTSE 100 company in its sector and has total funds under management of some £7.0 billion. 3i's Oil, Gas & Power team manages an investment portfolio with a value of approximately £500 million across the UK, Norway, the US and Singapore. 3i was a founding investor in Venture Production in 1997 and subsequently made a number of investments in the Company up to the time of its flotation in 2002. 3i currently has a 2.6 per cent. stake in the Company as a result of Venture Production's acquisition of 3i's stake in CH4 Energy Limited, a private Southern North Sea gas production company, for which 3i received Ordinary Shares as partial consideration.

ArcLight Capital Partners, LLC ("ArcLight Capital Partners") is one of the world's leading energy investing firms with more than \$6.8 billion under management. ArcLight Capital Partners invests broadly across the entire energy value chain including oil, gas, and coal resources and infrastructure; power generation; and electric and gas transmission and distribution. Founded in 2001, it is headquartered in Boston with an office in New York City. In April 2006, Venture Production announced the formation of NSGP with ArcLight Capital Partners and its co-investors ("the ArcLight Group") to acquire and develop gas fields in the southern North Sea alongside Venture Production with an initial total financial commitment of \$300 million. In addition, in late 2006, Venture Production and ArcLight Capital Partners formed North Sea Infrastructure Partners ("NSIP") to build and acquire infrastructure in the North Sea. NSIP is currently constructing the GKA export pipeline and owns a 25 per cent. stake in the ETS pipeline.

Although the 3i Investors and ArcLight are independent of one another and, for the purposes of the City Code on Takeovers and Mergers are understood not to be acting in concert with one another, both Investors have been supporters of Venture Production for some time and share Venture Production's view of the attractive opportunity created by the likely ownership changes of the North Sea oil and gas fields and believe that Venture Production is well placed to capitalise on these trends over the next several years.

Description of the Convertible Bonds

The Convertible Bonds will be constituted pursuant to the Bond Instrument. £151,000,000 in principal amount will be issued, of which £75,500,000 is proposed to be issued to each of ArcLight and the 3i Investors under the terms of the Subscription Agreement. The Convertible Bonds will bear a coupon of 3.25 per cent. per annum of the principal amount outstanding, payable in semi annual instalments in arrears. To the extent not then converted, purchased or redeemed, the Convertible Bonds will be redeemed on the final maturity date being three years from the date of constitution of the Bonds, or may become redeemable at any time following an event of default under the Bond Instrument.

The Convertible Bonds will be convertible at the option of the holder into Ordinary Shares at any time from six months after their issue at a conversion price of 915 pence per Ordinary Share, representing a premium of approximately 27.3 per cent. over the volume weighted average price of the Ordinary Shares during the four weeks prior to the announcement of the Bond Subscription. The Convertible Bonds will also be convertible during the first six months following their issue in the event of a change of control of the Company. The conversion price is subject to adjustments to reflect the impact on the market value of the Ordinary Shares of any future discounted rights issues, capital distributions and certain other changes to the Company's share capital. The Convertible Bonds will not be listed on any exchange, will be freely transferable and do not carry any rights to vote at general meetings of the Company.

The Company has agreed to use reasonable endeavours to ensure that any new Ordinary Shares resulting from the conversion of the Convertible Bonds are admitted to the Official List and to trading on the Main Market operated by the London Stock Exchange within 40 business days of conversion. Any such new Ordinary Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid thereafter and otherwise *pari passu* with the then existing issued Ordinary Shares.

Bond Subscription arrangements

The Company has entered into the Subscription Agreement with ArcLight and the 3i Investors under which ArcLight and the 3i Investors have conditionally agreed to subscribe for the Convertible Bonds at par. The Bond Subscription is conditional upon, *inter alia*, the passing of resolution 1. The Subscription Agreement also contains customary warranties given by the Company in favour of ArcLight and the 3i Investors in relation to the Company and its business. 3i and ArcLight will each receive an arrangement fee of £500,000 or if Shareholders do not approve the Bond Subscription they will each receive a break fee of £1,000,000.

NSGP Acquisition

As part of the overall strategic relationship, the Company has entered into the Sale and Purchase Agreement with ArcLight's affiliate under which the Company will acquire the entire issued share capital of NSGP which it does not already own. The Company already holds a 33 per cent. interest in NSGP. The consideration for the Acquisition will be the issue by the Company of the New Ordinary Shares to ArcLight's affiliate. Using a price of 772 pence per Ordinary Share (being the volume weighted average price of an Ordinary Share for the 5 trading days prior to and including 18 July 2007, being the day before the Bond Subscription and the Acquisition were announced), this values NSGP at approximately £69.8 million. In addition to its interests in the Ensign and Amanda discoveries and Agatha exploration prospect, NSGP currently contains £24.5 million in cash. In accordance with the termination provisions of the NSGP partnership agreements, the NSGP interest has been valued on the basis of an arm's length market based valuation.

The Board believes that the acquisition of the ArcLight Group's interests in NSGP in this way simplifies the structure of the Group and has the benefit of consolidating ArcLight's interests at the holding company level in a manner equivalent with those of 3i and other existing shareholders. The Acquisition is separate from and not conditional on ArcLight's subscription for the Convertible Bond.

The purchase of NSGP by the Company is not subject to or conditional upon Shareholders' approval and no such approval is being sought. It is anticipated that the Acquisition, and the issue of Ordinary Shares as consideration, will be completed on or about 24 July 2007.

Application will be made for Admission and it is expected that, conditional upon the Sale and Purchase Agreement otherwise becoming wholly unconditional and not being terminated in accordance with its terms, dealings in the New Ordinary Shares will commence on 24 July 2007. The New Ordinary Shares will, when issued, rank in full for dividends and other distributions declared, made or paid on or after Admission and otherwise *pari passu* with the existing issued Ordinary Shares. Immediately upon Admission, the Company's issued share capital is expected to be 142,088,209 Ordinary Shares (assuming no exercise of options under the Share Option Schemes or the exercise of conversion rights under the existing £29,000,000 4.25 per cent. convertible unsecured bonds 2010 issued by the Company). The New Ordinary Shares will be eligible for settlement through CREST.

13.3.1(9)(a)
13.3.1(9)(c)
13.3.1(9)(b)
13.3.1(9)(e)
13.3.1(9)(d)
13.3.1(9)(g)

Appointment of Directors

The Company has agreed that each of ArcLight and the 3i Investors shall be entitled to nominate a person to be appointed as a non-executive director to the Board of the Company. Each of ArcLight and the 3i Investors shall be entitled to exercise this right immediately upon completion of the Bond Subscription. If the respective aggregate interests of the 3i Investors or ArcLight in the issued share capital of the Company have not reached at least 9.0 per cent. on or before 31 December 2007, they will lose the right to non-executive Board representation. In calculating these aggregate interests, it is assumed that (a) the Convertible Bond has been fully converted into Ordinary Shares and that the total issued share capital has been diluted accordingly, (b) the conversion of the existing £29,000,000 4.25 per cent. convertible unsecured bonds 2010, constituted by the Company pursuant to an instrument dated 18 July 2005 has taken place in full, and (c) employee options and other awards under employee incentive arrangements will be disregarded.

After 31 December 2007, if the respective shareholdings of the 3i Investors or ArcLight fall below 7.5 per cent. of the diluted share capital of the Company (as described above), they will lose the right to non-executive Board representation. However, if their respective shareholdings are reduced to between 5 per cent.

and 7.49 per cent., as a result of *inter alia* the Company issuing equity in consideration for an acquisition, each of ArcLight and the 3i Investors will be able to nominate an observer who will be entitled to attend but not vote at Board meetings.

The 3i Investors and ArcLight have indicated to Venture Production that it is their intention to increase their shareholdings in the Company up to 9.9 per cent. through market purchases over time.

The Company notes that the appointment of the two non-executive directors under this provision will reduce the proportion of independent non-executive directors on the Board. In order to maintain appropriate independent non-executive representation on the Board, the Company intends to appoint one or two further independent non-executive directors to the Board once appropriate candidates have been identified. Although after taking account of any such appointments, the Company may not fully comply with the Combined Code on Corporate Governance in terms of independent non-executive representation, the Board nevertheless believes that, given the size of the Board, the diversity and independence of interests represented thereon and the strength of the independent non-executive directors, the interests of Shareholders taken as a whole will be fully protected.

Extraordinary General Meeting

Set out at the end of this document is a notice convening the Extraordinary General Meeting to be held at The Copthorne Hotel, Huntly Street, Aberdeen AB10 1SU at 2.00 p.m. on Wednesday 15 August 2007. This meeting is for the purpose of considering and (if thought fit) passing special resolutions to (a) disapply statutory pre-emption rights and authorise the Directors to allot the Convertible Bonds for cash as if Section 89(1) of the Companies Act 1985 did not apply and (b) amend the Articles to increase the Company's borrowing powers.

The disapplication of pre-emption rights over a maximum of £151 million of Convertible Bonds, which, if converted on the date of this document would represent approximately 12.1 per cent. of the existing issued ordinary share capital, is in addition to the authority to allot up to 5 per cent. of the existing issued ordinary share capital of the Company as if Section 89(1) of the Companies Act 1985 did not apply which was given by Shareholders at the 2007 Annual General Meeting held on 6 June 2007. The authority to allot the Convertible Bonds will expire 3 months from the passing of resolution 1.

13.8.2(1)

13.8.2(2)

13.8.1(4)

The amendment to the Articles would increase the Company's borrowing powers to the greater of £800,000,000 and three times the Company's Adjusted Capital and Reserves (as defined in the Articles) and is required to allow the Company to increase the amount and flexibility of its debt facilities to better enable it to expand its business through acquisitions.

Action to be taken

You will find enclosed with this document a Form of Proxy for use at the EGM. Whether or not you intend to attend the EGM, you are requested to complete the Form of Proxy in accordance with the instructions printed and return it to the Company's Registrars, Lloyds TSB Registrars at The Causeway, Worthing BN99 6DA as soon as possible and, in any event, so that it is received no later than 2.00 p.m. on Monday 13 August 2007.

Proxy votes may be registered electronically by going to www.sharevote.co.uk and following the on-screen instructions. Shareholders will need their reference number, proxy card ID and account number printed on the proxy card. To be valid an electronic proxy must be lodged not later than 48 hours before the time fixed for the meeting. Shareholders should not show these details to anyone unless they wish them to give proxy votes on their behalf.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST 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 CRESTCo’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID 7RA01) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) 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 sponsors or voting service providers 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.

Completion of a Form of Proxy, an electronic proxy or a CREST proxy will not prevent you from attending and voting in person at the EGM.

Recommendations

13.1.1(5)

The Board is of the opinion that the proposed Bond Subscription and amendment to the Articles are in the best interests of Shareholders as a whole and recommends Shareholders to vote in favour of the Resolutions as the Directors intend to do so in respect of their beneficial holdings amounting, in aggregate, to 15,431,223 Ordinary Shares representing approximately 11.34 per cent. of the Company’s existing issued share capital.

Yours sincerely,

John Morgan
Chairman

Venture Production plc
Registered in Scotland under number SC169182
(the “Company”)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Venture Production PLC (the “Company”) will be held at The Copthorne Hotel, Huntly Street, Aberdeen AB10 1SU at 2.00 p.m. on Wednesday 15 August 2007 for the purpose of considering and (if thought fit) passing the following resolutions which will be proposed as special resolutions:

RESOLUTIONS

1. THAT, subject to and conditional upon a subscription agreement made between NSGP Holdings Limited (1), 3i Group PLC (2), 3i Global Growth 2006-08 LP (3), 3i Pan European Growth 2006-08 LP (4), Oil Gas & Power Co-invest 2006-08 LP (5), and Global Growth Co-invest 2006-03 LP (6) and the Company (7) and dated 19 July 2007 and relating to a subscription for £151,000,000 3.25 per cent. convertible unsecured bonds due 2010 (the “Subscription”) becoming unconditional in all respects and such agreement not having been terminated in accordance with its terms in addition to all existing and unexercised authorities, the directors of the Company be and are hereby empowered pursuant to section 95 of the Companies Act 1985 (the “Act”) to allot equity securities (as defined by Section 94(2) of the Act) for cash as if section 89 of the Act did not apply to such allotment provided that such power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £151,000,000 pursuant to the Subscription with such power to expire three months from the date of the passing of this resolution.

2. THAT article 118(B) of the Articles of Association of the Company be amended to read as follows:

“The Board shall restrict the borrowings of the Company and exercise all voting and other rights, powers of control or rights of influence exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise the Board can secure) that the aggregate amount for the time being remaining outstanding of all monies borrowed by the Group (as hereinafter defined) and for the time being owing to persons outside the Group less the aggregate amount of Current Net Asset Investments (as hereinafter defined) shall not at any time without the previous sanction of the Company in general meeting exceed the greater of £800,000,000 and an amount equal to 3 times the Adjusted Capital and Reserves (as defined below).”

Registered Office:

34 Albyn Place
Aberdeen
AB10 1FW

By Order of the Board

Simon Nicholas Waite
Company Secretary
19 July 2007

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy as an alternative to attend, speak and vote instead of him/her. A proxy need not be a member of the Company. The deposit of an instrument of proxy will not preclude a member from attending and voting in person at the meeting or at any adjournment thereof.
2. A Form of Proxy is enclosed with this notice. To be effective, the Form of Proxy duly completed and signed together with any authority under which it is executed or a copy of such authority certified notarially or by a solicitor practicing in the United Kingdom must be deposited with the Company’s Registrars, Lloyds TSB Registrars at The Causeway, Worthing BN99 6DA, not less than 48 hours before the time appointed for holding the meeting.
3. Proxy votes may be registered electronically by going to www.sharevote.co.uk and following the on-screen instructions. Shareholders will need their reference number, proxy card ID and account number printed on the proxy card. To be valid electronic proxies must be lodged not later than 48 hours before the time fixed for the meeting. Shareholders should not show these details to anyone unless they wish them to give proxy votes on their behalf. CREST users should note that they can lodge their proxy votes for the meeting through the CREST Proxy Voting system. For further instructions users should refer to the CREST User Manual. Any CREST Sponsored Member should contact their CREST Sponsor.

4. In the case of a corporation, the form of proxy must be either executed under seal or signed on its behalf by an officer or attorney duly authorised.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company.
6. Shareholders (and any proxies or representatives they appoint) agree, by attending the meeting, that they are expressly requesting and that they are willing to receive any communications (including communications relating to the Company's securities) made at the meeting.