

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor or other independent financial advisor duly authorised under the Financial Services and Markets Act 2000 (as amended).

**If you have sold or transferred all your Existing Ordinary Shares you should hand this document together with 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 onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in Existing Ordinary Shares in the Company, you should retain these documents.**

The distribution of this document in jurisdictions other than the UK may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdictions. In particular, this document should not be forwarded or transmitted in or into the United States, Canada, Australia, South Africa, Japan or any other jurisdiction where it would be illegal to do so. The Existing Ordinary Shares have not been, nor will the New Ordinary Shares be, registered under the United States Securities Act 1933 (as amended) or under any of the relevant securities laws of any state of the United States or of Canada, Australia, South Africa or Japan. Accordingly, the Existing Ordinary Shares and the New Ordinary Shares may not (unless an exemption under relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada, Australia, South Africa or Japan or for the account or benefit of any such person located in the United States, Canada, Australia, South Africa or Japan.

The London Stock Exchange plc has not itself examined or approved the contents of this document. AIM is a market designed primarily for emerging or smaller companies to which a higher degree of investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List and the AIM Rules are less demanding than those of the Official List.

Application will be made to the London Stock Exchange plc for the Placing Shares to be admitted to trading on AIM. It is expected that dealings in the Placing Shares will commence on 1 April 2014.

## **ASTAR MINERALS PLC**

(Incorporated in England and Wales with Registered No. 05311866)

### **Placing of New Ordinary Shares**

### **Proposed Share Consolidation**

### **Proposed Appointment of new directors**

**and**

## Notice of General Meeting

**Your attention is drawn to the letter from the Chairman of Astar Minerals plc set out on pages 8 to 11 of this document, which recommends that you vote in favour of the resolutions to be proposed at the General Meeting referred to below. The General Meeting has been convened by the Directors for the purpose of considering the proposals set out in this document.**

Notice of a General Meeting of Astar Minerals plc to be held at the offices of Adams & Remers LLP, Dukes Court, 32 Duke Street, St James's, London, SW1Y 6DF at 11.00 a.m. on 31 March 2014 is set out at the end of this document. The enclosed Form of Proxy should, to be valid, be completed and returned in accordance with the instructions printed on it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to be received no later than 11.00 a.m. on 27 March 2014 or 48 hours before any adjourned meeting (such period not to include non-working days). Completion and return of the Form of Proxy will not preclude a Shareholder from attending in person and voting at the General Meeting.

Cairn Financial Advisers LLP ("Cairn"), which is a member of the London Stock Exchange, is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting as nominated adviser to the Company in connection with the Proposals. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire New Ordinary Shares in the Company in reliance on any part of this document. Cairn has not authorised the contents of, or any part of, this document and no representation or warranty, express or implied, is made by Cairn as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued). Cairn will not be offering advice and will not otherwise be responsible to anyone other than the Company for providing the protections afforded to customers of Cairn or for providing advice in relation to the contents of this document or any other matter.

Cornhill Capital Limited ("Cornhill Capital") is authorised and regulated by the Financial Conduct Authority, and is acting as the broker to the Company and no-one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their customers or for affording advice in relation to the matters referred to herein. Cornhill Capital does not accept any liability whatsoever for the accuracy of opinions contained in this document (or for the omission of any material information) and is not responsible for the contents of this document.

**Copies of this document will be available free of charge from the offices of Cornhill Capital Limited, 4<sup>th</sup> Floor, 18 St. Swithin's Lane, London, EC4N 8AD during normal business hours and a copy is available on the website of Astar Minerals plc at [www.astarminerals.com](http://www.astarminerals.com).**

## CONTENTS

	<b>Page</b>
Expected timetable of principal events	3

Placing statistics	3
Definitions	4-5
Directors, secretary and advisers	6
Letter from the Chairman of Astar Minerals plc	8-11
Notice of the General Meeting	12-15

## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

### **Indicative timetable**

Publication of this Document	
Latest time and date for receipt of Forms of Proxy	11.00 a.m. c
General Meeting	11.00 a.m. c
Record date for Share Consolidation	6.00pm c
Admission of the Placing Shares to trading on AIM	8.00 a.m.
CREST stock accounts to be credited with the Placing Shares in uncertificated form	8.00 a.m.
Dispatch of certificates for Placing Shares in certificated form	week commencing

## **PLACING STATISTICS**

Existing Ordinary Shares of nominal value £0.001 as at the date of this document

Issued Ordinary Share capital following Share Consolidation

Number of New Ordinary Shares of £0.01 to be issued in the Placing

Enlarged Share Capital following the Share Consolidation and Placing

Shares as a percentage of the Enlarged Share Capital

### Placing Price

Gross proceeds of the Placing

Estimated net proceeds of the Placing

Number of Warrants to be issued

### Note:

Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service. References to time in this document are to London time. The timetable above assumes that the Resolutions are passed at the General Meeting.

This Circular contains certain forward-looking statements which relate to future events. Such forward-looking statements reflect the Directors' current beliefs, are based on information currently available to the Directors and are based on reasonable assumptions at this date. While the Directors make these forward-looking statements in good faith, neither the Company nor its Directors can guarantee that any anticipated future results will be achieved.

## **DEFINITIONS**

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

“Act”	the Companies Act 2006
“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM Rules”	the AIM rules for companies whose securities are admitted to trading on AIM as published by the London Stock Exchange from time to time
“AIM”	the market of that name operated by the London Stock Exchange
“Articles”	the articles of association of the Company
“Board” or “Directors”	the directors of the Company at the date of this document whose names and addresses are set out on page 7 of this document
“Cairn” or “Nomad”	Cairn Financial Advisers LLP, a limited liability partnership registered in England and Wales with number OC351689
“Circular”	this document dated 14 March 2014
“Company” or “Astar”	Astar Minerals plc, a company registered in England and Wales with registered number 05311866
“Cornhill Capital”	Cornhill Capital Limited, a company registered in England and Wales with registration number 05267797 (which is authorised and regulated by the FCA)
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form, which is administered by Euroclear UK & Ireland Limited
“CREST Regulations”	the Uncertificated Securities Regulations 2001, as amended
“Enlarged Share Capital”	the issued ordinary share capital of the Company following completion of the Share Consolidation and Placing
“Exchange”	the London Stock Exchange plc
“Existing Ordinary Shares”	the 296,655,248 ordinary shares of £0.001 in issue as at the date of this document
“FCA”	Financial Conduct Authority
“Form of Proxy”	the form of proxy accompanying this document for use at the General Meeting
“General Meeting”	the General Meeting of Shareholders to be held at the offices of Adams & Remers LLP, Dukes Court, 32 Duke Street, St James’s, London, SW1Y 6DF at 11.00 a.m. on 31 March 2014 and including any adjournment thereof
“London Stock Exchange”	London Stock Exchange plc
“New Ordinary Shares”	the 105,000,000 new ordinary shares of £0.01 each in the capital of the Company following the passing of resolution 1 at the General Meeting and to be issued pursuant to the Share

“Placees”	Consolidation and the Placing the placees conditionally subscribing for the Placing Shares
“Placing”	the conditional placing of the Placing Shares at the Placing Price
“Placing Price”	£0.01 per New Ordinary Share
“Placing Shares”	the 105,000,000 New Ordinary Shares to be issued at the Placing Price to the Placees
“Proposals”	the Placing, the proposed Share Consolidation and the proposed changes to the Board as explained in the Circular
“Resolutions”	the resolutions as set out in the Notice of General Meeting contained within this Circular and “Resolution” shall mean any one of them as appropriate
“Share Consolidation”	the proposed share consolidation of all the Existing Ordinary Shares into the New Ordinary Shares on the basis that each 10 Existing Ordinary Shares will be consolidated into 1 New Ordinary Share (disregarding fractions)
“Shareholders”	holders of Existing Ordinary Shares of the Company
“Warrants”	the warrants over 52,500,000 New Ordinary Shares to be issued by the Company

### **Directors, Secretary and Advisers**

<b>Directors</b>	Lynda Chase-Gardener – Executive Chairman Euan McAlpine – Executive Director Nicholas Lee – Non-Executive Director
<b>Company Secretary</b>	Euan McAlpine
<b>Registered Office</b>	44 Southampton Buildings, London, WC2A 1AP
<b>Nominated Adviser</b>	Cairn Financial Advisers LLP 61 Cheapside London EC2V 6AX
<b>Joint Broker</b>	Cornhill Capital Limited 4 <sup>th</sup> Floor, 18 St. Swithins Lane, London, EC4N 8AD
<b>Joint Broker</b>	Peterhouse Corporate Finance Limited 31 Lombard Street London, EC3V 9BQ
<b>Legal Adviser</b>	Adams & Remers LLP Dukes Court 32 Duke Street St James’s London, SW1Y 6DF
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions

**Company's website**

Bridgwater Road  
Bristol, BS13 8AE  
[www.astarminerals.com](http://www.astarminerals.com)

**Letter from the Directors of Astar Minerals plc**

*(incorporated in England and Wales Registered No. 05311866)*

*Directors:*

Lynda Chase-Gardener – Executive Chairman  
Euan McAlpine – Executive Director  
Nicholas Lee – Non-Executive Director

*Registered Office:*

44 Southampton Buildings,  
London, WC2A 1AP  
United Kingdom

14 March 2014

To Shareholders and for information purposes only to holders of options:

**Placing of New Ordinary Shares**

**Proposed Share Consolidation**

**Proposed Appointment of new directors**

**and**

**Notice of General Meeting**

**Introduction**

On the 25 April 2013, shareholders approved the disposal of the Company's operating subsidiary Astar Quadling Quarry Limited and its other Canadian assets. As a result of this, the Company became an investing company under Rule 15 of the AIM Rules.

Since then, the Company has reviewed and considered a number of investment and other opportunities. The Board, however, now believes that the future of the Company is better served by raising additional funds for investment and by strengthening the board. Under Rule 15 of the AIM Rules, the Company is required to implement its investing policy on or before 25 April 2014, otherwise the Existing Ordinary Shares will be suspended from trading. The Directors believe that the Placing and the additional Directors proposed to be appointed to the Board as referred to in this Circular will better enable the Company to pursue its investing policy. Furthermore, within its existing investment policy, the Company expects to look more closely at oil and gas opportunities within the oil and gas sector in Mexico which is currently undergoing major reforms.

Cornhill Capital has conditionally raised £1,050,000 before expenses, by way of a subscription for 105,000,000 New Ordinary Shares at a price of £0.01 per share. The proceeds of the Placing will be used to provide the Company with additional working capital to allow it to pursue its investing policy.

Conditional on closing of the Placing, Euan McAlpine will resign as a director and Andrew Frangos and Stefan Olivier will join the board as Non-Executive Chairman and Chief Executive Officer respectively. Lynda Chase-Gardener will become a Non-Executive Director and Nicholas Lee will remain a Non-Executive Director. Both Andrew and Stefan have significant experience of raising funds and developing small companies in the natural resources sector. In particular, they successfully founded and are developing North American Petroleum plc, an oil company focused on the US onshore oil sector, whose shares are traded on ISDX.

A General Meeting of the Company has been convened to seek the approval of Shareholders to the Proposals. The General Meeting, notice of which is set out at the end of this Document, will be held at the offices of Adams & Remers LLP, Dukes Court, 32 Duke Street, St James's, London, SW1Y 6DF at 11.00 a.m. on 31 March 2014. The Company is now issuing this Circular to Shareholders setting out the background to and the reasons for the Proposals and recommending that Shareholders vote in favour of the Resolutions being proposed at the General Meeting.

### **Proposed Directors**

Brief biographical details of Andrew Frangos and Stefan Olivier are set out below:

#### **Andrew Frangos**

Andrew is founder of Cornhill Asset Management Limited and Cornhill Capital and has in excess of ten years experience in the financial services industry. He previously ran equities and derivatives sales and trading desks for both Phillip Capital and Refco Europe. Andrew also has extensive corporate finance expertise having played a lead role in structuring and executing many equity and debt transactions over the last five years. Andrew founded Cornhill Asset Management Limited in 2004. He is also the founder and Non-Executive Chairman of North American Petroleum plc whose shares are traded on ISDX.

#### **Stefan Olivier**

Stefan has eight years experience in corporate broking at Cornhill Capital which provides a wide range of advisory and brokerage services to clients including oil and gas and mining companies. In February 2013 he was appointed Chief Executive Officer of North American Petroleum plc.

### **Warrants**

As part of the Placing, the Company has conditionally agreed to grant warrants to subscribe for 52,500,000 New Ordinary Shares to JIM Nominees Limited on behalf of Andrew Frangos, Stefan Olivier and Cornhill Capital. The Warrants shall vest upon the Company's closing share price trading at £0.02 per share for 30 consecutive trading days and are exercisable at the Placing Price at any time until the earlier of (i) five years from the closing of the Placing and (ii) three years from the vesting date. If exercised immediately following the Placing, JIM Nominees Limited would be entitled to 52,500,000 New Ordinary Shares equating to 28 per cent. of the Enlarged Share Capital of the Company.

### **Share consolidation**

Following completion of the Placing, the Company would have a large number of Existing Ordinary Shares in issue if it did not complete the Share Consolidation. Therefore the Company is also proposing to undertake a restructuring of its share capital. In order to consolidate the number of Existing Ordinary Shares in issue and to allow the Proposals to proceed at an appropriate pricing, it is proposed to carry out the Share Consolidation. Following the Share Consolidation, the number of New Ordinary Shares will be more appropriate for a company of Astar's size in the UK market. Other than a change in nominal value, the New Ordinary Shares will carry equivalent rights under the Articles of Association to the Existing Ordinary Shares.

Under the Share Consolidation, it is proposed that the issued Existing Ordinary Shares will be consolidated so that every 10 Existing Ordinary Shares of £0.001 each will be consolidated into one New Ordinary Share of £0.01. Shareholders with a holding of Existing Ordinary Shares which is not exactly divisible by 10 will have their holdings rounded down to the nearest whole number of New Ordinary Shares. Holders of fewer than 10 Existing Ordinary Shares will not be entitled to receive any New Ordinary Shares following the Share Consolidation. Any fractions arising from the Share Consolidation will be aggregated and sold for the benefit of the Company.

All outstanding Options granted will be consolidated in the same way as the Existing Ordinary Shares. The Placing Shares will be allotted on a post-Share Consolidation basis.

Authority for the Share Consolidation will be sought by the proposal of the Resolution numbered 1 at the General Meeting. Following the Share Consolidation, replacement share certificates will be dispatched to Shareholders in respect of newly denominated New Ordinary Shares held in certificated form. Share certificates are expected to be dispatched during the week commencing 31 March 2014. Existing certificates will be void from 30 April 2014.

To effect the Share Consolidation, it will be necessary to issue an additional number of Existing Ordinary Shares so that the Company's issued ordinary share capital is exactly divisible by 10. These additional Existing Ordinary Shares will be issued to the secretary of the Company, pursuant to paragraph 2(a) of Resolution 2 (the "Allotment Resolution"). Since these additional Existing Ordinary Shares would only represent an entitlement to a fraction of a New Ordinary Share, this fraction would be sold in the market for the benefit of the Company.

Following the Share Consolidation, the Company's new SEDOL code will be BKRV544 and its new ISIN code will be GB00BKRV5441. Application will be made for the New Ordinary Shares to be admitted to trading on AIM.

In respect of Existing Ordinary Shares held in uncertificated form, CREST accounts will be credited with the newly denominated New Ordinary Shares on the record date for the Share Consolidation, being 31 March 2014.

## **Recommendation**

The Directors consider the Share Consolidation and the Placing to be in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend that you vote in favour of the Resolutions as they intend to do themselves in respect of their direct and

indirect shareholdings totalling 87,901,805 shares representing approximately 29.6 per cent of the share capital of the Company.

**Should the Resolutions not be passed at the General Meeting and the Placing not be implemented, the Company would be less able to pursue its investment policy in a way to create value for shareholders.**

### **Placing and dis-application of pre-emption rights**

The Company, through Cornhill Capital, has conditionally raised £1,050,000 (before expenses) through the Placing of 105,000,000 New Ordinary Shares at a price of £0.01 per share conditional on the Resolutions being approved by Shareholders at the General Meeting. The net proceeds of the Placing are estimated at £950,000. Conditional upon the approval of the Resolutions at the General Meeting and as a result of completion of the Placing, the Placees will, in aggregate, hold approximately 78 per cent of the then Enlarged Share Capital.

In order to facilitate the Placing, it is necessary for the Company to increase its authority to issue New Ordinary Shares and dis-apply pre-emption rights. Resolution 2 seeks the authority to allot New Ordinary Shares pursuant to the Placing, the exercise of the Warrants and to grant rights to subscribe for or to convert any security into such shares up to a nominal value of £935,827. It is proposed, in Resolution 3 that the Directors should be able to (i) allot shares and equity securities to complete the Placing and issue the Warrants, (ii) conduct rights issues and (iii) otherwise allot further shares and equity securities up to an aggregate nominal amount of £935,827 other than on a pre-emptive basis.

In each case, the authorities conferred by Resolutions 2 and 3 shall expire fifteen months after the passing of the relevant resolutions or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first.

### **General Meeting**

The Notice convening the General Meeting to be held at the offices of Adams & Remers LLP, Dukes Court, 32 Duke Street, St James's, London, SW1Y 6DF at 11.00 a.m. on 31 March 2014 at which the Resolutions will be proposed is set out at the back of this Circular. A summary of the Resolutions is set out below.

### **Ordinary Resolutions**

Resolution 1, which will be proposed as an ordinary resolution, seeks to implement the Share Consolidation of every 10 Existing Ordinary Shares of £0.001 each being consolidated into 1 New Ordinary Share of £0.01 each in the Company.

Resolution 2, which will be proposed as an ordinary resolution, seeks to grant the directors of the Company authority to allot New Ordinary Shares in the capital of the Company and grant rights to subscribe for such New Ordinary Shares up to an aggregate nominal amount of £935,827.

### **Special Resolution**

Resolution 3, which will be proposed as a special resolution, seeks to dis-apply the statutory pre-emption rights over the Placing Shares and additional New Ordinary Shares authorised for allotment.

### **Action to be taken**

Shareholders will find a Form of Proxy enclosed for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received at the Company's registrars, Computershare Investor Services PLC, by no later than 11.00 a.m. on 27 March 2014, being 48 hours before the time appointed for holding the General Meeting (such period not to include non-working days). Completion of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person if you so wish.

### **Recommendation**

The Directors consider the Placing and Share Consolidation to be in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend that you vote in favour of the Resolutions as they intend to do themselves in respect of their direct and indirect shareholdings totalling 87,901,805 shares representing approximately 29.6 per cent of the share capital of the Company.

Yours faithfully,  
Lynda Chase-Gardener  
Executive Chairman  
for and on behalf of the Board

### **Astar Minerals plc**

(Incorporated in England and Wales with Registered No. 05311866)

### **NOTICE OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a General Meeting of the members of the Company will be held at the offices of Adams & Remers LLP, Dukes Court, 32 Duke Street, St James's, London, SW1Y 6DF at 11.00 a.m. on 31 March 2014 to consider and, if thought fit, pass the following resolutions, resolutions numbered 1 and 2 being proposed as ordinary resolutions and resolution numbered 3 being proposed as a special resolution, but so that neither the ordinary resolutions nor the special resolution shall be passed unless all are passed.

This Notice concerns matters described in a circular to shareholders of the Company dated 14 March 2014 (the "**Circular**"). Words and expressions defined in the Circular have the same meaning in this Notice.

### **ORDINARY RESOLUTIONS**

1 That, every 10 Ordinary Shares of £0.001 each in the capital of the Company (each an “Existing Ordinary Share”) as at 6.00 p.m. on 31 March 2014 (or such other time and date as the directors of the Company may determine) be consolidated into 1 New Ordinary Share of £0.01 each, having the same rights as the Existing Ordinary Shares, provided that: (

(a) where such consolidation results in any shareholder being entitled to a fraction of a New Ordinary Share, such fraction shall, so far as possible, be aggregated with the fractions of a New Ordinary Share to which other shareholders of the Company may be entitled; and

(b) the Directors be and are hereby authorised to sell (or appoint any other person to sell to any person), on behalf of the relevant shareholders, all the New Ordinary Shares representing such fractions at the best price reasonably obtainable to any person, and to donate to charity the net proceeds of sale of such New Ordinary Shares); and

(c) any Directors of the Company (or any person appointed by the directors of the Company) shall be and is hereby authorised to execute an instrument of transfer in respect of such New Ordinary Shares on behalf of the relevant Shareholders and to do all acts and things the Directors consider necessary or expedient to effect the transfer of such shares to, or in accordance with the directors of, any buyer of any such New Ordinary Shares.

2 That in accordance with section 551 of the Companies Act 2006 (the “Act”), the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot Relevant Securities (as defined in the notes to this Resolution) PROVIDED THAT this authority shall be limited to:

(a) the allotment of 2 Existing Ordinary Shares in connection with the Share Consolidation;

(b) allotment of 105,000,000 New Ordinary Shares pursuant to the Placing;

(c) the issue of the Warrants and up to 52,500,000 New Ordinary Shares pursuant to the exercise of the Warrants;

(d) equity securities (as defined by section 560 of the Companies Act 2006 (the “Act”) up to an aggregate nominal amount of Relevant Securities allotted pursuant to the authority in paragraph (e) below) in connection with an offer by way of a rights issue;

(i) to holders of New Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings; and

(ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(e) in any other case, up to an aggregate nominal amount of £935,827 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph (d) above), provided that this authority shall, unless renewed, varied or revoked by

the Company, expire fifteen months after the passing of this resolution or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

In this resolution, **Relevant Securities** means:

- shares in the Company, other than shares allotted pursuant to:
  - § an employee share scheme (as defined in section 1166 of the Act);
  - § a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or
  - § a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security; and
- any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined in section 1166 of the Act). References to the allotment of Relevant Securities in this resolution include the grant of such rights.

### **SPECIAL RESOLUTION**

3 That, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities wholly for cash, within the meaning of section 560 (1) of the Act, pursuant to the general authority conferred by resolution 2 above as if section 561 (1) of the Act did not apply to any such allotment of equity securities, provided that this power shall be limited to:

- (a) the allotment of 2 Existing Ordinary Shares in connection with the Share Consolidation;
- (b) the allotment of up to 105,000,000 Placing Shares in connection with the Placing
- (c) the issue of the Warrants and up to 52,500,000 New Ordinary Shares pursuant to the exercise of the Warrants;
- (d) the allotment of equity securities in connection with an offer of equity securities by way of rights issue
- (iii) to the holders of New Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings; and
- (iv) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares,

fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(e) the allotment (otherwise than pursuant to paragraphs (a) to (d) above) of equity securities up to an aggregate nominal amount of £935,827.

The power granted by this Resolution will expire fifteen months after the passing of this resolution or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that 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 may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

By Order of the Board  
Euan McAlpine *Company Secretary*

Registered Office  
44 Southampton Buildings  
London, WC2A 1A  
United Kingdom

Date: 14 March 2014

## **NOTES TO THE NOTICE OF GENERAL MEETING**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that to be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes they may cast), holders of ordinary shares must be entered on the relevant register of securities by 6.00 p.m. on 27 March 2014.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy 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. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
4. 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. Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by you on the record date will result in the proxy appointments being invalid.

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, 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).
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
8. To appoint a proxy using the proxy form, the form must be completed and signed and deposited at the office of the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to be received not later than 48 hours before the time appointed for holding the meeting.
9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
10. 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.
11. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Computershare Investor Services PLC. In the case of a member 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.
12. The revocation notice must be received by the Company's registrars, no later than the time appointed for holding the meeting.