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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward 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 onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdictions. Therefore, persons into whose possession this document comes should inform themselves about and observe any such laws and restrictions in any such jurisdictions. Any failure to comply with these restrictions may constitute the violation of the security laws of such jurisdictions. If you have sold or transferred only part of your holding of Ordinary Shares you should retain these documents.

This document is not a prospectus in accordance with the Prospectus Rules of the Financial Services Authority.

Application will be made to the London Stock Exchange for the Placing Shares arising from the Placing and the Conversion Shares arising from the Conversion to be admitted to trading on AIM. It is anticipated that such admission will become effective and the Suspension will be lifted on 22 April 2009 and that dealings in the Placing Shares and the Conversion Shares will commence at 8.00 a.m. on 22 April 2009.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risk of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, after consultation with an independent financial adviser. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Placing Shares or the Conversion Shares to the Official List. Further, neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this document.

CENTRAL AFRICAN GOLD PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registration number 04976987)

THE PLACING OF 565,970,992 NEW ORDINARY SHARES AT 1.00 PENNY PER SHARE AND THE PARTIAL CONVERSION OF THE CONVERTIBLE LOAN AGREEMENTS

NOTICE OF EXTRAORDINARY GENERAL MEETING

Strand Partners Limited (“Strand Partners”) which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as nominated adviser and broker to the Company for the purposes of the AIM Rules and for no one else and will not be responsible to any person other than the Company for providing the protections afforded to their customers or for advising any other person on the contents of this document or any transaction or arrangement referred to herein. Strand Partners’ 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 any Director or Shareholder (whether current, prospective or future) or any other person.

This document does not constitute an offer to sell or the solicitation of an offer to buy Placing Shares.

The Company, whose name and registered office appear on page 5 of this document, and the Directors, whose names appear on page 5 of this document, accept responsibility individually and collectively for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

A letter from the chairman of the Company is set out on pages 8 to 17 of this document which contains a unanimous recommendation from the Directors that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

Notice of an Extraordinary General Meeting of Central African Gold Plc to be held at the offices of Strand Partners at 26 Mount Row, London W1K 3SQ, at 11 a.m. on 20 April 2009, to approve the proposals referred to herein is set out at the end of this document. All Shareholders are urged to complete and return the enclosed Form of Proxy, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event so as to be received by the Company’s Registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 11 a.m. on 18 April 2009.

You should read the whole of this document and it should be read in conjunction with the Form of Proxy.

DEFINITIONS

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

“Act”	the Companies Act 1985 (as amended or superseded by the Companies Act 2006);
“Admission”	admission of the Placing Shares and the Conversion Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
“AIM”	the market operated by the London Stock Exchange known as AIM;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, governing admission to and the operation of AIM;
“Board” or “Directors”	the board of directors of the Company whose names are set out on page 5 of this document;
“CAG” or “the Company”	Central African Gold plc, a company registered in England and Wales with company number 04976987;
“CAG Ghana”	Central African Gold Ghana Limited, a limited liability company incorporated in Ghana with registration number CA-28347;
“City Code”	The City Code on Takeovers and Mergers;
“Convertible Loan Agreements”	the ECP Convertible Loan Agreement and the IAM Convertible Loan Agreement;
“Conversion”	the conversion of \$2.4 million of the monies owed by the Company to ECP Africa under the ECP Convertible Loan Agreement and \$1.0 million of the monies owed by the Company to Investec Asset Management under the IAM Convertible Loan Agreement;
“Conversion Shares”	the 267,264,079 new Ordinary Shares to be issued pursuant to the Conversion;
“Dollar” or “\$”	United States Dollars;
“ECP”	Emerging Capital Partners LLC, a limited liability company registered in the State of Delaware;
“ECP Africa”	ECP Africa Fund II PCC, a company registered in Mauritius with company number 60079 C1/GBL;
“ECP Convertible Loan Agreement”	the convertible loan agreement entered into in July 2008, under the terms of which ECP Africa agreed to loan the Company \$3.94 million;
“Enlarged Share Capital”	the Ordinary Shares in issue immediately following the Placing (but excluding the Conversion Shares and any Ordinary Shares that may be issued between the date of this document and the date of the Placing pursuant to the exercise of any options and/or warrants granted prior to Admission);
“Existing Ordinary Shares” or “Existing Share Capital”	the 170,850,897 Ordinary Shares in issue as at the date of this document;

“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 11 a.m. on 20 April 2009 at the offices of Strand Partners at 26 Mount Row, London W1K 3SQ, notice of which is set out at the end of this document, and any adjournment of such meeting;
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders at the Extraordinary General Meeting;
“Group”	the Company and its subsidiary undertakings;
“HBD”	HBD Zim Investments Limited, a company registered in the Isle of Man with company number 003634V;
“IAM Convertible Loan Agreement”	the convertible loan agreement entered into on 30 June 2008, under the terms of which Investec Asset Management agreed to loan the Company \$3.0 million;
“Investec Asset Management”	Investec Asset Management (Proprietary) Limited, a company registered in South Africa with company number 1984/011235/02;
“Investec Bank”	Investec Bank Limited, a public company registered in South Africa with company number 1969/004763/06;
“Investec Bank Debt”	the \$5.0 million dollar liability owed by the Company to Investec Bank pursuant to an agreement entered into between the Company and Investec Bank on 6 February 2009;
“London Stock Exchange”	London Stock Exchange plc;
“New Loan Agreements”	the New ECP Loan Agreement and the New IAM Loan Agreement;
“New ECP Loan Agreement”	an agreement dated 27 March 2009 pursuant to which the ECP Convertible Loan Agreement is amended and superseded such that the total debt owed by the Company to ECP Africa is \$1.8 million (including interest accruing thereon);
“New IAM Loan Agreement”	an agreement dated 27 March 2009 pursuant to which the IAM Convertible Loan Agreement is amended and superseded such that the total debt owed by the Company to IAM is \$2.2 million (including interest accruing thereon);
“Notice of EGM”	the notice of Extraordinary General Meeting set out at the end of this document;
“Ordinary Shares”	ordinary shares of 0.5 pence each in the capital of the Company;
“Placees”	all or any of the subscribers for the Placing Shares pursuant to the Placing, being ECP Africa and HBD;
“Placing”	the proposed placing of the Placing Shares with the Placees at the Placing Price;
“Placing Price”	1.00 penny per Placing Share;
“Placing Shares”	565,970,992 new Ordinary Shares;
“Proposals”	the Placing and the Conversion;
“Prospectus Rules”	the Prospectus Rules, brought into effect on 1 July 2005 pursuant to Commission Regulation (EC) No. 809/2004;

“Resolutions”	resolutions 1 to 6, as set out in the Notice of EGM set out at the end of this document;
“Resulting Share Capital”	the Ordinary Shares in issue immediately following Admission (including the Placing Shares and the Conversion Shares, but excluding any Ordinary Shares that may be issued between the date of this document and the date of Admission pursuant to the exercise of any options and/or warrants granted prior to Admission);
“RNS”	the Regulatory News Service, run by the London Stock Exchange;
“Shareholders”	the holders of Ordinary Shares;
“Strand Partners”	Strand Partners Limited, Nominated Adviser and Broker to CAG, pursuant to the AIM Rules; and
“Suspension”	the suspension of trading in the Ordinary Shares of the Company on AIM, effected on 12 November 2008.

Throughout this document the following exchange rate has been used (except where otherwise stated):

£1 – \$1.4135 (Source: Reuters 15 day average to 12 March 2009, being the exchange rate used in the New ECP Loan Agreement, the New IAM Loan Agreement and the subscription agreements entered into with the Placees.)

DIRECTORS, SECRETARY AND ADVISERS

Directors	Roy Pascoe Lander (<i>Non Executive Chairman</i>) Roy Aubrey Pitchford (<i>Chief Executive Officer</i>) Craig Ian Campbell (<i>Chief Financial Officer</i>) Navaid Burney (<i>Non Executive Director</i>) All of whose business address is at the Company's registered office.
Registered and Head Office	Central African Gold plc Millennium Bridge House 2 Lambeth Hill London EC4V 4AJ United Kingdom
Company Secretary	Philip Enoch
Nominated Adviser and Broker	Strand Partners Limited 26 Mount Row London W1K 3SQ United Kingdom
Solicitors to the Company	Salans LLP Millennium Bridge House 2 Lambeth Hill London EC4V 4AJ United Kingdom
Auditors, Reporting Accountants and Tax Advisers	KPMG Audit plc Consumer & Industrial Markets 8 Salisbury Square London EC4Y 8BB United Kingdom
Solicitors to the Nominated Adviser and Broker	Cobbetts LLP One Colmore Square Birmingham B4 6AJ United Kingdom
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield Yorkshire HD8 0GA United Kingdom

PLACING AND CONVERSION STATISTICS

Number of Ordinary Shares in issue prior to the Placing and the Conversion	170,850,897
Placing Price	1.00 penny
Total gross proceeds of the Placing	£5.7 million
Total estimated net proceeds of the Placing to be received by the Company prior to repayment of the Investec Bank Debt	£5.2 million
Market capitalisation of the Company on Admission at the Placing Price*	£10.0 million
Placing Shares expressed as a percentage of the Enlarged Share Capital	76.81 per cent.
Placing Shares expressed as a percentage of the Resulting Share Capital*	56.37 per cent.
Conversion Shares expressed as a percentage of the Resulting Share Capital*	26.62 per cent.

* Assuming that the Conversion takes place

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	27 March 2009
Latest time and date for the receipt of Form of Proxy	11 a.m., 18 April 2009
Extraordinary General Meeting	11 a.m., 20 April 2009
Conversion of the Conversion Shares	22 April 2009
Lifting of AIM Suspension	22 April 2009
Admission of Placing Shares and the Conversion Shares to trading on AIM	22 April 2009
Repayment of the Investec Bank Debt	22 April 2009

SHAREHOLDINGS IN THE COMPANY

<i>Shareholder</i>	<i>Percentage of Existing Share Capital held</i>	<i>Percentage of Enlarged Share Capital held</i>	<i>Percentage of Resulting Share Capital held</i>
ECP Africa	17.91*	42.56	50.02
Investec Asset Management and associated funds and segregated discretionary portfolios	15.56	3.61	10.48
HBD	—	38.41	28.18
All other Shareholders	66.53	15.42	11.32
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

* ECP Africa holds the beneficial interest in these Ordinary Shares

LETTER FROM THE CHAIRMAN OF CENTRAL AFRICAN GOLD PLC

Central African Gold Plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registration number 04976987)

Directors:

Roy Pascoe Lander (*Non Executive Chairman*)
Roy Aubrey Pitchford (*Chief Executive Officer*)
Craig Ian Campbell (*Chief Financial Officer*)
Navaid Burney (*Non Executive Director*)

Registered Office:

Millennium Bridge House
2 Lambeth Hill
London
EC4V 4AJ
United Kingdom

27 March 2009

To the holders of Ordinary Shares and, for information only, to the holders of share options and/or warrants and/or the parties to the Convertible Loan Agreements

Dear Shareholder

Proposed Placing of 565,970,992 new Ordinary Shares at a price of 1.00 penny per share and proposed partial conversion of Convertible Loan Agreements

Introduction

The Board announced today that, subject to Shareholder approval, the Company proposes to raise approximately £5.7 million (before expenses) by the issue of 565,970,992 new Ordinary Shares at a price of 1.00 penny per share by way of the Placing.

The net proceeds of the Placing will enable the Company to satisfy its remaining obligations to repay Investec Bank and, together with the funds anticipated to be received from the proposed disposal of the Malian assets, provide the working capital necessary for the Directors to enhance the value of the Company's remaining assets in Zimbabwe and Botswana.

In the event that the Malian assets are not sold, the Board will have to explore alternative sources of funding and/or review the level of investment in Zimbabwe, in order to fund the payment to Investec Asset Management and ECP Africa under the New Loan Agreements. The Directors expect that the working capital provided by the Placing and the sale of the Malian assets will be sufficient to fund the restarting of gold production in Zimbabwe, so far as is appropriate given prevailing Zimbabwean economic and political considerations, and to evaluate the prospecting projects in Botswana, after the repayment of the Investec Bank Debt.

Due to the size of the Placing relative to the Company's existing authorities to allot shares and disapply pre-emption rights, the Placing is conditional, *inter alia*, upon the passing of the Resolutions by the Shareholders at the Extraordinary General Meeting. The Company is also seeking, for the reasons explained on pages 13 and 14 of this document, the authorities to allot shares and disapply pre-emption rights in relation to the allotment of shares under the Conversion. A summary of the Resolutions is set out on pages 15 and 16 of this document. The Directors have convened the EGM at which Shareholders will be asked to consider and, if thought fit, pass the Resolutions. The Company has received irrevocable undertakings to vote in favour of the Resolutions from Shareholders holding 49.51 per cent. of the Existing Share Capital.

The purpose of this letter is to provide you with further information on the proposed Placing, (which is being carried out on a non pre-emptive basis), the Conversion and the Resolutions seeking, *inter alia*, the authority to allot shares and to disapply pre-emption rights. This letter also explains why the Board considers that the Proposals will promote the success of the Company for the benefit of Shareholders as a whole.

The primary reason for the Placing is to raise sufficient funds for CAG to meet the Investec Bank Debt and to provide sufficient working capital for the Company to continue to enhance the value of its remaining assets.

If the Placing is not successfully completed, the Board believes that it is highly likely that the Company will become insolvent, and insolvency proceedings, such as administration or liquidation, will be commenced.

It should also be noted that the fulfilment of CAG's corporate objectives, as stated in this document, are dependent on not only the success of the Placing, but also on the successful sale, in the short to medium term, of the Company's assets in Mali.

Background

On 8 July 2008, the Board announced that, in addition to \$6.94 million raised from ECP and Investec Asset Management in the form of convertible loans, the Company required a further \$10.0 million of funds, which it intended to raise via an equity placing to be undertaken in August 2008.

However, on 25 September 2008, in the Interim Results Statement of the Company for the period ended on 30 June 2008, the Board announced that, as a result of the general market turbulence, including a volatile gold price and weak and deteriorating equity markets, the Board had decided to conduct a more wide ranging review of funding options, including examining options for a capital injection aimed at maximising shareholder returns. Unfortunately, the Board was unable to identify a suitable option and, on 12 November 2008, the Company's shares were suspended from trading on AIM pending clarification of the Company's financial position and the requirement for further short and medium term funding to enable the Company to continue operating. The Company's shares have remained suspended from this date. Following this announcement, Greg Hunter, the then Chief Executive of the Company, resigned and the role of Chief Executive was assumed by Roy Pitchford, one of the then Non Executive Directors, who had served on the Board since January 2004.

On 4 December 2008, the Company announced that, in common with a number of other mining operators in Zimbabwe, its subsidiaries had ceased all operations in Zimbabwe due to the adverse political and economic climate, but the Group would continue to maintain its assets there, to the extent practicable.

On 14 January 2009, the Company announced that its then 100 per cent. owned subsidiary, CAG Ghana, had received a notice of default (the "Notice of Default") from Investec Bank regarding the non-payment of monies due on the Investec Bank project loan facility agreement (the "PLFA"), and the non-payment of monies due under various gold forward transaction agreements (the "HFA") with Investec Bank. The Notice of Default required that CAG Ghana repay the full amounts outstanding under the PLFA, which totalled approximately \$20.92 million, and the monies due, if any, under the HFA. In addition, Investec Bank invoked a power of attorney, which it had been granted by CAG under the terms of a charge entered into between Investec Bank and the Company, on 30 January 2007, as part of the agreement to secure the funding for CAG Ghana under the PLFA. The charge was created over the entire issued share capital of CAG Ghana and therefore, once Investec Bank had invoked the power of attorney, it was able to transfer all 90,000 CAG Ghana shares in issue and held by the Company to Investec Bank. Consequently, Investec Bank became the legal owner of the Bibiani gold mine through its holding of the entire issued share capital of CAG Ghana.

In November 2007, in order to secure an additional facility amount for CAG Ghana, CAG had entered into a guarantee with Investec Bank (the "Guarantee"). On 15 January 2009, the Board received notification from Investec Bank that, under the terms of the Guarantee, it sought to recoup from CAG all of the outstanding monies due from CAG Ghana, save for those monies due under the HFA which were not covered by the Guarantee. However, it was the Board's view that CAG was liable for no more than \$5.0 million (plus any capitalised interest which may be due to be paid) to Investec Bank under the PLFA and the HFA.

On 10 February 2009, the Company announced that it had entered into a legally binding agreement with Investec Bank under the terms of which any liability which it had towards Investec Bank would be capped at \$5.0 million. The Company undertook to pay Investec Bank this sum by 18 March 2009 (the "Payment Deadline"), but as at the date of this document, has not done so. As a result of the time

required to arrange the proposed Placing and the necessary EGM notice period, the proposed Placing is expected to be completed on 22 April 2009, a few weeks after the Payment Deadline, after such date any outstanding amount of the Investec Bank Debt shall incur cash pay interest of three per cent. per annum above LIBOR. This means that an additional amount of interest of approximately \$17,000 will also be due to be paid to Investec Bank under the terms of the agreement.

For the reasons set out below on pages 10 to 13 of this document, the Board has decided that the Placing is the most expeditious route by which the necessary funds can be raised in order to meet the remaining liability to Investec Bank and, together with the sale of the Malian assets, to provide the Company with sufficient working capital to maximise the value from its remaining assets for the benefit of Shareholders as a whole.

Details of the Placing

The Company has conditionally placed 565,970,992 Placing Shares with ECP Africa and HBD at the Placing Price to raise net proceeds of approximately £5.7 million, before total costs of approximately £0.5 million.

ECP Africa is a Mauritian public company limited by shares which makes investments in companies operating in Africa. ECP Africa is managed by ECP Manager LP, a limited partnership organised under the State of Delaware which has offices in Tunis, Casablanca, Abidjan, Lagos, Douala, Johannesburg and Washington (District of Columbia). ECP Africa currently holds the beneficial interest in 17.91 per cent. of the Existing Ordinary Shares. Following completion of the Placing, ECP Africa's expected holding in the Enlarged Share Capital will be 42.56 per cent. On completion of the Proposals and Admission, ECP Africa's expected holding in the Resulting Share Capital will be approximately 50.02 per cent.

HBD is a private investment company, whose shares are beneficially held by an individual shareholder, registered in the Isle of Man and has no current shareholding in the Company. Following completion of the Placing, HBD's expected holding in the Enlarged Share Capital will be 38.41 per cent. On Completion of the Proposals and Admission, HBD's expected holding in the Resulting Share Capital will be approximately 28.18 per cent.

As detailed on pages 16 and 17 of this document, the City Code does not apply to the Company. Therefore, while the number of shares held by each of HBD and ECP Africa following completion of the Placing will be greater than 29.99 per cent. of the Company's issued share capital, there will be no requirement for HBD or ECP to make a mandatory offer to all other Shareholders, as would be the case if the City Code applied.

The Placing Shares will, on Admission, be credited as fully paid and rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares after that date.

The Placing Shares represent approximately 331.27 per cent. of the Existing Ordinary Shares, 76.81 per cent. of the Enlarged Share Capital and 56.37 per cent. of the Resulting Share Capital.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that, conditional upon the passing of the Resolutions at the EGM, dealings in the Placing Shares and the Conversion Shares will commence on 22 April 2009. Also, on this date the Suspension is expected to be lifted. An announcement will be released, via RNS, to confirm that this has occurred.

On Admission, the Company will have a market capitalisation of approximately £10.0 million, based on the Placing Price of 1.00 penny per Ordinary Share, assuming no exercise of warrants or options between the date of this document and Admission, but assuming that the Conversion takes place.

Reasons for the Placing and Future Strategy

As stated above, the primary reason for the Placing is to raise sufficient funds to meet the Investec Bank Debt and, along with the proceeds from the sale of the Malian assets, to provide sufficient working capital for the Company to continue to enhance the value of its assets in Zimbabwe and Botswana.

If the Placing is not successfully completed, the Board believes that it is highly likely that the Company will become insolvent, and insolvency proceedings, such as administration or liquidation, will be commenced.

Following the repayment of the Investec Bank Debt and the costs of the Placing, the Company intends to repay all outstanding overdue creditors amounting to approximately £0.6 million and then apply the balance of the funds to its remaining assets and to satisfying the Company's corporate overhead.

The Company's assets are as follows:

Zimbabwe

The Company is the majority owner of two subsidiaries in Zimbabwe: Falcon Gold Zimbabwe Limited ("Falgold") (84.7 per cent.) and Olympus Gold Mines Limited ("Olympus") (100 per cent.). Falgold and Olympus between them include a number of previously operational gold mines. However all production ceased, in December 2008, due to the adverse political and economic climate in Zimbabwe and related issues at the four mines owned by the Company.

The Company's Annual Report for the year ended 31 December 2007 included the following reserves and resources for the Zimbabwean assets:

Category	Total Ore Reserves			Category	Total mineral resources		
	Kt	Au g/t	Koz Au		Kt	Au g/t	Koz Au
Proven	10,921	1.06	371	Measured	15,794	1.85	938
Probable	8,709	1.48	415	Indicated	10,612	2.00	683
				Subtotal	26,406	1.91	1,621
				Inferred	2,164	3.87	269
Total Reserves	<u>19,631</u>	<u>1.24</u>	<u>785</u>	Total resources	<u>28,570</u>	<u>2.06</u>	<u>1,890</u>

On 2 February 2009, the Governor of the Reserve Bank of Zimbabwe ("RBZ") released a Monetary Policy Statement ("MPS"). The proposed changes detailed in the MPS are far reaching and the Directors believe they may, potentially, if actioned as described, have a significant and positive impact on the Company's ability to resume its Zimbabwe gold mining operations in the near term. Amongst other changes, the MPS contemplates specific improvements for gold producers that are designed to counter the factors that contributed to the Zimbabwe gold sector decline over the last 18 months. Under the MPS, the proposed changes include, *inter alia*;

- permitting gold producers, after receipt of a Gold Export Permit, to be in control of their gold sales: gold companies will be able to produce and sell gold and be reasonably assured that they will be paid for their bullion within normal trade terms, as such gold production may be marketed outside of the control of the RBZ. This is one of the most significant changes in the MPS;
- giving gold producers the freedom to access certain financial instruments, such as gold loans from offshore markets, that would then be collateralised by their own physical gold inventory, thus, in the opinion of the Board, making access to operating capital and new project financing significantly easier; and
- converting all current outstanding receivables owed to gold producers, such as CAG, into a "Special Tradable Gold-Backed Foreign Exchange Bond", which will have a term of 12 months and will pay interest at eight per cent. per annum upon maturity. The interest owed is to be accrued from the time that the money has been outstanding and the RBZ will honour the full principal plus interest on maturity.

Furthermore, the RBZ has laid out certain measures to significantly de-regulate Zimbabwe's exchange control policies. These measures include the ability of gold producers to pay for goods and services offshore, as well as all genuine external debts and dividends without prior Exchange Control approval. The Directors believe that this step should, if actioned, make the flow of operational capital more efficient, and allow for the unfettered transfer of operational proceeds.

The Directors believe that these reforms, together with political changes in Zimbabwe, including, *inter alia*, the agreement by all parties in February 2009 to establish a Government of National Unity, should enable the Company to restart gold production in Zimbabwe relatively quickly following the completion of the Placing.

Subsequent to the release of the MPS, on 19 March 2009, the Government of National Unity of Zimbabwe announced the Short Term Emergency Recovery Plan (“STERP”) which includes measures to revive the Zimbabwean mining sector. This includes a commitment by the government to cease the retention on commodity earnings (previously 7.5 per cent.) and, in its place, to review upwardly the taxation and royalty structures to move them in line with international standards. The Board believes that this is a positive move by the Government of National Unity of Zimbabwe that should benefit the Company.

Additionally, STERP states that the government will place greater demands on mining houses to take measures to protect the environment and further, impose upon them social development obligations.

In the medium to long term, the Directors believe that CAG may, subject to, *inter alia*, financing availability, be in a position to act as a consolidator for other Zimbabwean producing assets.

The Company’s ability to restart gold production and therefore to generate revenues from its Zimbabwean assets is dependent on a stabilisation of the political and economic climate. Should this not occur, or should the political and economic climate deteriorate further, it is highly unlikely that CAG will be able to extract meaningful value from its Zimbabwean assets.

Mali

The Company has an 80 per cent. interest in 11 permits in southern Mali and six permits in western Mali through its subsidiary companies Mali Goldfields S.A. and Songhoi Resources S.A.. Mali Mining House holds the remaining 20 per cent. of Mali Goldfields S.A. with the remaining 20 per cent. of Songhoi Resources S.A. being held by Mari S.A.R.L. This highly prospective portfolio of 17 properties spans approximately 2,600km² of Birimian strata.

The most advanced projects are on the 150 km² Medinandi and Bokolobi permits (held by Songhoi Resources S.A.) in the prospective Kenieba district, which together currently have a combined mineral resource of approximately 500,000 oz of gold grading 4.55g/t Au at the Fadougou Main Zone target. During 2008, further reverse circulation (“RC”) drilling was completed at Medinandi. A total of 33 RC boreholes totalling 3,948m were drilled over a number of target areas outside the Fadougou Main Zone.

In view of the Board’s desire to focus on the Company’s Zimbabwean assets, the relatively early stage of development of the Malian assets and the difficulties of effectively managing the Malian assets from the Company’s head office in South Africa, it is the Board’s intention to sell the Malian assets in the short to medium term (assuming a suitable offer can be obtained, which the Directors are confident will be the case) in order to augment the Group’s working capital and specifically to generate funds to satisfy the liability totalling \$4.0 million owed to Investec Asset Management and ECP Africa together under the New Loan Agreements (details of which are set out in the section entitled ‘Convertible Loan Agreements’ below).

The Malian assets had a carrying book value of £3.3 million (approximately \$4.7 million using the exchange rate prevailing at the date of valuation) as at 28 February 2009. In the event that the Malian assets are not sold, the Board will have to explore alternative sources of funding and/or review the level of investment in Zimbabwe in order to fund the payment to Investec Asset Management and ECP Africa under the New Loan Agreements.

However, it should be noted that the payment of the monies owed under the New Loan Agreements is not due until the earlier of the sale of the Malian assets or 14 April 2010.

Botswana

The Company owns a 100 per cent. interest in Matoko Limited, which holds the rights to the Kraaipan prospecting licence. The permit area overlies the north-westward strike continuation of the Archaean Kraaipan greenstone belt from South Africa. The licence is underlain by the extension of the eastern arm of the Archaean Kraaipan greenstone terrain into southern Botswana. The prospecting licence over 430.3km²

was renewed in July 2007 for two years (after a 50 per cent. surface area reduction) and is renewable again in June 2009 for a further period of two years with a further 50 per cent. reduction in area. The Botswana assets had a carrying book value of £0.4 million (approximately \$0.57 million using the exchange rate prevailing at the date of valuation) as at 28 February 2009.

The Board intends to review the exploration programme in Botswana and will decide whether to continue the programme through its subsidiaries, find a suitable joint venture partner or to dispose of the Botswana assets.

Convertible Loan Agreements

In June and July 2008, the Company entered into the Convertible Loan Agreements, under the terms of which the Company borrowed \$3.94 million (approximately £2.2 million using the rate of exchange prevailing on the date of the agreement) from ECP Africa and \$3.0 million (approximately £1.7 million, using the rate of exchange prevailing on the date of the agreement) from Investec Asset Management. The funds received by the Company under the Convertible Loan Agreements carry interest at 10 per cent. per annum, compounded monthly in arrears and payable on maturity.

The terms of the Convertible Loan Agreements provide that the monies received by the Company under the Convertible Loan Agreements can be converted, at the election of the lender, in the event that the Company allotted any new shares prior to the date for repayment of the loan. The Convertible Loan Agreements further provided that they would be automatically converted in the event that the Company raised at least \$10.0 million (approximately £7.07 million), in an equity fundraising prior to the date for repayment of the loan, in which case the Convertible Loan Agreements and accrued interest would convert automatically at a price which is 10 per cent. below the issue price of such fundraising. The Placing does not reach this threshold.

The repayment dates for the loans under the terms of the Convertible Loan Agreements were during January 2009, but the loans have not been repaid and therefore the \$6.94 million (being \$3.94 million due to ECP and \$3.0 million due to IAM respectively) and accrued interest thereon (being approximately \$0.5 million) is due and payable by the Company.

While the proceeds under the Placing will be both sufficient to repay the Investec Bank Debt and in the Directors' opinion, for the Company's working capital needs, it will not be sufficient to repay the monies due under the Convertible Loan Agreements. Accordingly, the Company has entered into the New Loan Agreements with IAM and ECP as detailed below.

Under the terms of the New IAM Loan Agreement, the Company has agreed with Investec Asset Management, subject to Shareholder approval for the disapplication of pre-emption rights and the granting of the authority to directors to allot shares, to amend and supercede the terms of the IAM Convertible Loan Agreement so that \$1.0 million (being approximately £0.7 million) of the monies lent pursuant to the IAM Convertible Loan Agreement shall convert into new Ordinary Shares at 0.9p per share immediately following the Placing, with the outstanding amount of \$2.2 million (plus interest accruing at a rate of 10 per cent. per annum) being repayable in cash on the earlier of the sale of the Malian assets or 14 April 2010.

Under the terms of the New ECP Loan Agreement, the Company has agreed with ECP Africa, subject to Shareholder approval for the disapplication of pre-emption rights and the granting of the authority to directors to allot shares, to amend and supercede the terms of the ECP Convertible Loan Agreement so that \$2.4 million (being approximately £1.7 million) of the monies lent pursuant to the ECP Convertible Loan Agreement shall convert into new Ordinary Shares at 0.9p per share immediately following the Placing with the outstanding amount of \$1.8 million (plus interest accruing at a rate of 10 per cent. per annum) being repayable in cash on the earlier of the sale of the Malian assets or 14 April 2010.

Therefore, following the Conversion, the Company will owe \$1.8 million (plus accrued interest) to ECP Africa and \$2.2 million (plus accrued interest) to Investec Asset Management.

Subject to Shareholder approval for the disapplication of pre-emption rights and the granting of the authority to directors to allot shares, the Conversion will give rise to the issue of a further 267,264,079 new Ordinary Shares representing 26.62 per cent. of the Resulting Share Capital. Following the

Conversion, ECP Africa will have a beneficial interest in 50.02 per cent. of the Resulting Share Capital and Investec Asset Management and associated funds and segregated discretionary portfolios will have a beneficial interest in 10.48 per cent. of the Resulting Share Capital.

Disapplication of pre-emption rights and irrevocable undertakings

The Directors have given consideration to the most appropriate method of conducting the fundraising. The Board has sought to balance the desire to offer Shareholders the opportunity to participate in any issue of shares against the time and cost of so doing, particularly in light of the Company's current financial position and its urgent requirement for funding.

In principle, the Board would have preferred to offer all Shareholders the opportunity to participate in the fundraising by conducting it, for example, as a rights issue or open offer. However, owing to the considerable amount of extra time and cost involved in conducting a rights issue or open offer and with particular regard to the Company's current cash position and the six week deadline for payment of the Investec Bank Debt, the Board decided that seeking Shareholders' approval to disapply pre-emption rights and conducting the fundraising by way of the Placing was a more suitable course of action.

The Board approached several significant Shareholders who hold the legal and/or beneficial interest in Ordinary Shares in the Company to ascertain whether they would be interested in subscribing for Ordinary Shares under the Placing, but each of the Shareholders approached declined to participate.

However, the Company has received irrevocable undertakings to vote in favour of the Resolutions from Shareholders holding an aggregate of 49.51 per cent. of the Ordinary Shares in the Company's Existing Share Capital.

Accordingly, the Placing, as described in this document, is deemed by the Board to be the best method of meeting the Company's short term needs. The Directors therefore consider that the Placing and the Resolutions will promote the success of the Company for the benefit of all Shareholders.

Related Party Opinion

ECP Africa is a significant shareholder in the Company and currently holds the beneficial interest in 30,600,000 Ordinary Shares, representing 17.91 per cent. of the Company's Existing Share Capital and existing options over a further 761,137 Ordinary Shares which ECP Africa intends to exercise following Admission. Navaid Burney, a Managing Director of ECP, which is the general partner of ECP Africa's Manager, ECP Manager LP, is also a director of CAG. As the Placing is being conducted on a non pre-emptive basis, Navaid Burney is considered to be a related party and, accordingly, the Placing is considered to be a related party transaction under the AIM Rules.

The Directors of CAG, other than Navaid Burney, being the independent directors, unanimously consider, having consulted with Strand Partners, that the terms of the Placing, the Conversion and the "drag and tag" agreement (as summarised on page 17) are fair and reasonable insofar as the Shareholders are concerned. Strand Partners has taken into account the Directors' commercial assessments of the Proposals.

Shareholder approval

For the Placing and the Conversion to proceed, Shareholder approval is required to:

- (i) increase the authorised share capital of the Company from £5,000,000 to £5,500,000 by the creation of 100,000,000 Ordinary Shares of 0.5 pence each;
- (ii) give the Directors the authority to allot the authorised but unissued share capital of the Company;
- (iii) specifically disapply pre-emption rights up to a nominal value of £2,829,855 of share capital pursuant to Section 95 of the Act in respect of the Placing;
- (iv) specifically disapply pre-emption rights up to a nominal value of £1,336,321 of share capital pursuant to Section 95 of the Act in respect of the Conversion; and

- (v) generally disapply pre-emption rights up to a nominal value of £479,569 of share capital, being all of the Company's authorised but unissued share capital following the Placing and the Conversion, pursuant to Section 95 of the Act in addition to the disapplications referred to at (iii) and (iv) above.

The EGM is to be held at 11 a.m. on 20 April 2009 at the offices of Strand Partners at 26 Mount Row, London W1K 3SQ, at which the Resolutions to enable the Placing and the Conversion to take place will be proposed.

Placing Arrangements

The Company is proposing to raise, subject to Shareholder approval, approximately £5.7 million (before expenses) through the Placing of 565,970,992 new Ordinary Shares at a price of 1.00p per share.

The Placing Shares have been conditionally placed by the Company with ECP Africa and HBD, however, such placing is conditional upon, *inter alia*, the passing of the Resolutions at the EGM, the lifting of the Suspension and Admission taking place on 22 April 2009 but, in any case, no later than 8.00am on 27 April 2009. Strand Partners has agreed to make the necessary application on behalf of the Company for Admission.

The Placing Shares will rank *pari passu* with the Existing Ordinary Shares.

Extraordinary General Meeting

Notice of an Extraordinary General Meeting to be held for the above purposes at 11 a.m. on 20 April 2009 at the offices of Strand Partners at 26 Mount Row, London W1K 3SQ, is set out at the end of this document.

The success of the Placing and the Conversion, and therefore the future financial standing of the Company, is conditional upon Resolutions 1 to 5 being approved by the Shareholders.

The Resolutions are as set out below:

Resolution 1: An ordinary resolution to increase the authorised share capital of the Company from £5,000,000 to £5,500,000 by the creation of 100,000,000 Ordinary Shares of 0.5 pence each so that the Company has the requisite number of Ordinary Shares in order to allot the Placing Shares and the shares to be allotted under the terms of the Conversion.

If Resolution 1 is passed, it will provide the Company with sufficient Ordinary Shares to satisfy the allotment of Placing Shares and the Conversion Shares, the issue of any outstanding options and warrants and to provide the Company with further headroom should the Board deem it necessary to issue Ordinary Shares in order to raise further funding in the future.

Resolution 2: Conditional upon Resolution 1 being passed, an ordinary resolution (pursuant to section 80 of the Act) authorising the Directors to exercise all powers of the Company to allot all of its authorised but unissued securities.

If Resolution 2 is passed, and provided that Resolutions 1 and 3, 4 and 5 are also passed, this will give the Directors the authority to allot the Placing Shares, the Ordinary Shares to be allotted under the Conversion and the remaining authorised but unissued share capital of the Company.

Resolution 3: Conditional upon Resolutions 1 and 2 being passed, a special resolution (pursuant to Section 95 of the Act) specifically to permit the Directors to issue the Placing Shares for cash as if the statutory pre-emption rights set out in section 89(1) of the Act did not apply.

If Resolution 3 is passed (and provided that Resolutions 1 and 2 have been passed), it will permit the Directors to issue the Placing Shares and therefore raise the funds needed to repay the Investec Bank Debt and provide the Company with additional working capital going forward.

Resolution 4: Conditional upon Resolutions 1, 2 and 3 being passed, a special resolution (pursuant to Section 95 of the Act) specifically to permit the Directors to issue Ordinary Shares following the Conversion as if the statutory pre-emption rights set out in section 89(1) of the Act did not apply.

If Resolution 4 is passed (and provided that Resolutions 1, 2 and 3 have been passed), the Directors will be able to issue shares under the terms of the Conversion to ECP and Investec Asset Management.

Resolution 5: Conditional upon Resolutions 1 and 2 being passed, a special resolution (pursuant to Section 95 of the Act) generally to permit the Directors, in addition to the authorities granted in Resolutions 3 and 4, to issue all of the Company's authorised but unissued Ordinary Shares, remaining after the Placing Shares and the Conversion Shares have been allotted, for cash as if the statutory pre-emption rights set out in section 89(1) of the Act did not apply.

If Resolution 5 is passed (and provided that Resolutions 1 and 2 have been passed), it will allow the Board to issue all of the Company's authorised but unissued share capital remaining after the Placing and the Conversion, for cash without offering rights of pre-emption.

Resolution 6: A special resolution to amend the articles of association of the Company in order to:

- (i) to bring them into line with the provisions of section 307 of the Companies Act 2006 (which came into effect on 1 October 2007) and which states that at least 14 days' notice must be given for a general meeting of a public company, other than an adjourned meeting or an annual general meeting;
- (ii) remove references to "Extraordinary General Meetings" as such term is no longer used under the Companies Act 2006;
- (iii) remove the reference in Article 81 to "a proxy not being entitled to vote except on a poll" because, under the Companies Act 2006, proxies are now able to vote at General Meetings on a show of hands; and
- (iv) to permit the Directors to authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty to avoid conflicts of interest under the Companies Act 2006.

If Resolution 6 is passed this will allow the Company to call General Meetings on 14 days' notice, will allow proxies to vote at General Meetings of the Company on a show of hands as well as on a poll and will allow the Board to authorise conflicts of Directors under s.175 of the Companies Act 2006. Please note that a copy of the proposed amended articles of association of the Company will be available for inspection at the offices of Salans LLP at Millennium Bridge House, 2 Lambeth Hill, London EC4V 4AJ from 9 a.m. on 21 April 2009 and on the Company's website.

Irrevocable undertakings from Shareholders

Roy Pitchford, Blue Sky Mining Limited, ECP Africa, Investec Asset Management and associated funds and segregated discretionary portfolios, Ely Place Nominees Ltd, Central African Mining & Exploration plc, Enso Global Equities Master Partnership LP, UBS Enso Fund LP and HFR Jade Master Trust LP, who between them hold the beneficial interest in 84,595,265 Ordinary Shares, representing in aggregate 49.51 per cent. of the Existing Ordinary Shares, have irrevocably undertaken to vote, or to have their nominees vote, in favour of the Resolutions.

Major Shareholders and the City Code

The Placing Shares will represent 76.81 per cent. of the Enlarged Share Capital and 56.37 per cent. of the Resulting Share Capital. ECP and HBD will hold substantial shareholding positions in the Company following the Placing of 42.56 per cent. and 38.41 per cent. respectively of the Enlarged Share Capital. Their shareholding positions following the Conversion will be 50.02 per cent. and 28.18 per cent. respectively of the Resulting Share Capital.

As announced by the Company on 18 December 2008, the Company is no longer subject to the City Code and as such there will be no obligation on any Shareholder that acquires or increases, either individually or acting in concert with other Shareholders, its holding through 29.99 per cent. of the Company's issued share capital to make a mandatory offer to all Shareholders.

In addition, Shareholders should note that a small number of large Shareholders could exercise effective control of the Company following the Placing and possess sufficient voting shares to pass or block certain resolutions in general meetings regarding, inter alia, the appointment of Directors, dividend payments, capital restructuring or the cancellation from trading of the ordinary shares on AIM.

Arrangement between ECP and IAM

ECP Africa and Investec Asset Management entered into a "drag and tag" agreement on 27 March 2009, the terms of which only apply if the Company's Ordinary Shares are cancelled from trading on AIM, and are, in summary, as follows:

- (a) In the event of the sale of ECP Africa's shares in the Company to any *bona fide* third party acting at arms' length, ECP Africa may require Investec Asset Management to sell all of their shares in the Company to meet the requirements of the purchaser; and
- (b) In the event of the sale of ECP Africa's shares in the Company to any *bona fide* third party acting at arms' length, Investec Asset Management shall have the right to participate in such sale on materially the same terms.

A further term of the agreement is that ECP Africa and Investec Asset Management agree that they will not support a deeply discounted equity issue, although such term does not preclude ECP Africa and Investec Asset Management from approving an equity issue without restriction should CAG require immediate funding.

Action to be taken by Shareholders

A Form of Proxy is enclosed with this document for use by Shareholders in connection with the Extraordinary General Meeting. Whether or not Shareholders intend to be present at the Extraordinary General Meeting, they are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event so as to be received by the Company's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 11 a.m. on 18 April 2009. The completion and return of the Form of Proxy will not preclude a Shareholder from attending the Extraordinary General Meeting and voting in person should they wish to do so.

Recommendation

In view of the legally binding agreement with Investec Bank, which was entered into by the Board to secure the viability of the Company at the time and prevent insolvency proceedings being commenced, it is the unanimous opinion of the Board that if the Placing and Conversion are not completed, and without any alternative sources of funding being immediately available, the Company is highly likely to become insolvent and insolvency proceedings will be commenced, with the result that Shareholders would be highly unlikely to receive any return on a winding up of the Company.

The Directors therefore consider that the Placing, the Conversion and the Resolutions will promote the success of the Company for the benefit of its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as set out in the Notice of EGM, as they intend so to do in respect of their own beneficial holdings (which amount in aggregate to 6,400,000 Ordinary Shares, representing approximately 3.75 per cent. of the Existing Ordinary Shares).

Yours faithfully

Roy Lander
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

Central African Gold Plc (“the Company”)

(Incorporated and registered in England and Wales under the Companies Act 1985 with registration number 04976987)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at the offices of Strand Partners at 26 Mount Row, London W1K 3SQ, at 11 a.m. on 20 April 2009, for the purpose of considering and, if thought fit, passing the following resolutions (of which resolutions 1 and 2 shall be proposed as ordinary resolutions and resolutions 3 to 6 shall be proposed as special resolutions of the Company):

Ordinary Resolutions

1. That the authorised share capital of the Company be increased from £5,000,000 to £5,500,000 by the creation of 100,000,000 Ordinary Shares of 0.5 pence each ranking *pari passu* in all respects with the existing Ordinary Shares of 0.5 pence each in the capital of the Company.
2. That, conditional on the passing of resolution 1:
 - a. the directors of the Company be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the “Act”) to exercise all the powers of the Company to allot all of the authorised but unissued relevant securities in the Company provided that this authority shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date which is 15 months from the date of this resolution (unless previously renewed, varied or revoked by the Company in general meeting) save that the Company may before such expiry make an offer or arrangement which would or might require equity securities to be allotted after the expiry of this power and the directors of the Company may allot equity securities in pursuance of such an offer or arrangement as if the power had not expired; and
 - b. all previous authorities under section 80 of the Act be and are hereby revoked to the extent that they have been unused.

Special Resolutions

3. That, conditional on the passing of resolutions 1 and 2, the directors of the Company be given power pursuant to section 95 of the Companies Act 1985 (the “Act”) to allot equity securities (as defined in section 94(2) to 94(3A) of the Act) for cash as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities in respect of the proposed Placing of up to 565,970,992 Ordinary Shares of a nominal value of 0.5 pence each (i.e. an aggregate nominal value of £2,829,855) at a price of 1.00 penny per Ordinary Share on the terms of conditional agreements entered into between the Company and each of ECP Africa and HBD. Such power shall expire at the conclusion of the Annual General Meeting following the passing of this resolution.
4. That, conditional on the passing of resolutions 1, 2 and 3 the directors of the Company be given power pursuant to section 95 of the Act to allot equity securities (as defined in section 94(2) to 94(3A) of the Act) for cash as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities of up to 267,264,079 Ordinary Shares of 0.5 pence each at a price of 0.9 pence per Ordinary Share to ECP Africa and Investec Asset Management in connection with the Conversion.

Such power shall expire at the conclusion of the Annual General Meeting following the passing of this resolution.
5. That, conditional on the passing of resolutions 1 and 2, the directors of the Company be given power pursuant to section 95 of the Act to allot, in addition to the authorities granted by Resolutions 3 and 4, equity securities (as defined in section 94(2) to 94(3A) of the Act) for cash as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of Ordinary Shares of 0.5 pence each with an aggregate nominal

amount of £479,569, being all of the Company's authorised but unissued Ordinary Shares following the Placing and the Conversion. Such power shall expire at the conclusion of the Annual General Meeting following the passing of this resolution.

6. That, the Company's articles of association be amended so that:
- a. All references to "Extraordinary General Meeting" shall be replaced by "General Meeting";
 - b. Article 63 be amended so that it reads:

"In the case of an Annual General Meeting, at least twenty one clear days' notice in writing must be given, and in any other case, at least fourteen clear days' notice in writing must be given, specifying the place, the day and the hour of the meeting and in the case of special business the general nature of such business shall be given in a manner hereinafter mentioned to the Auditors and to such persons as are under the provisions of these Articles entitled to receive notice of General Meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid, or of such proportion thereof as is prescribed by section 307(6) of the Companies Act 2006, a meeting may be convened on a shorter notice, and in such manner as such persons may approve. The accidental omission to give such notice to, or the non-receipt of such notice by, any such person shall not invalidate any resolution passed or proceeding at such meeting, Every notice convening an Annual General Meeting of the Company shall describe the meeting as an Annual General Meeting";
 - c. Article 81(i) be amended so that the words "a proxy not being entitled to vote except on a poll" be deleted; and
 - d. the Directors shall be permitted to authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty to avoid conflicts of interest under section 175 of the Companies Act 2006.

Dated: 27 March 2009

Registered Office:
Millennium Bridge House
2 Lambeth Hill
London EC4V 4AJ
United Kingdom

By order of the Board:
Philip Enoch
Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and to speak and vote on their behalf at the meeting. A member may appoint more than one proxy in relation to the meeting. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. Completion and return of the form of proxy will not preclude ordinary shareholders from attending and voting at the meeting, if they so wish.
3. To be effective, the proxy form must be lodged with the Company's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 3TU not later than 48 hours before the time of the meeting or any adjournment thereof, together, if appropriate, with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or, where the proxy form has been signed by an officer on behalf of a corporation, a notarially certified copy of the authority under which it is signed.
4. As an alternative to completing the hard-copy Form of Proxy, you can appoint a proxy electronically by visiting the website of Capita Registrars, www.capitashareportal.com. You will require your unique investor code which is shown on your share certificate. Do not disclose your investor code to anyone else, unless you wish them to give instructions on your behalf. Any electronic communications found to contain a virus will not be accepted.
5. In the case of a joint holding, a proxy need only be signed by one joint holder. If more than one such joint holder lodges a proxy only that of the holder first on the register of members will be counted. Any alterations made to this proxy should be initialled.
6. 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.
7. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Extraordinary General Meeting is 11 a.m. on 18 April 2009, (being not more than 48 hours prior to the time fixed for the Meeting) or, if the Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Meeting.

8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising 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 made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Company's agent, Capita Registrars (whose CREST ID is RA10) by the specified latest time(s) for receipt of proxy appointments. 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 Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 325 of the Uncertificated Securities Regulations 2001.

9. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representatives in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Company Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details on this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.
10. Unless the context otherwise requires, words and expressions in this Notice and in the accompanying Form of Proxy bear the same meaning ascribed thereto in the circular to shareholders in the Company dated 27 March 2009 of which this notice forms part.