



# Letter to the Shareholders

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**This document is important and requires your immediate attention.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor, tax adviser, accountant, or other independent professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares as soon as possible.

## Cambridge Mineral Resources plc

(incorporated and registered in England and Wales under number 2255996)

Notice of a General Meeting of the Company to be held at 11.00 a.m. on 28 July 2010 at the offices of Messrs. Keith, Bayley, Rogers & Co. Limited, 2nd Floor, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ, is set out at the end of this document.

Shareholders are requested to return the form of proxy accompanying this document. To be valid, the accompanying form of proxy should be completed and signed in accordance with the instructions printed thereon and returned so as to be received by the Company's registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, B63 3DA, as soon as possible and in any event so as to arrive not later than 11.00 a.m. on 26 July 2010.

**Directors**

Michael Burton  
Nevyanka Mateeva  
Martin Robins, FCMA

**Registered Office:**

37 Queen Anne Street, London W1G 9JB

6 July 2010

Dear Shareholder,

**Notice of General Meeting**

I am pleased to be writing to you with details of a General Meeting ("GM") which is to be held at the offices of Messrs. Keith, Bayley, Rogers & Co. Limited, 2nd Floor, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ, at 11.00 a.m. on 28 July 2010. The formal notice of the General Meeting is set out at the end of this document.

If you wish to vote on the resolutions but cannot attend the GM, please fill in the proxy form sent to you with this notice and return it to our Registrars as soon as possible. To be valid the proxy form must be received by the Registrars no later than 11.00 a.m. on 26 July 2010.

To briefly update you on developments since the last Annual General Meeting:

The Company's Nominated Advisor resigned in February 2009 and, as a result, the Company de-listed from the Alternative Investment Market (AIM) of the London Stock Exchange in March 2009. Subsequently two directors resigned.

Since those events your board has continued to work on your behalf to effect the following:

1. The appointment of a new director and company secretary;
2. The appointment of Keith, Bayley, Rogers & Co. Limited as corporate broker;
3. The appointment of Neville Registrars Limited as share registrars;
4. The appointment of Menzies LLP as auditors;
5. A conditional agreement for the sale of the Company's Spanish subsidiary, Recursos Metalicos SL.

The directors intend to apply for the shares of Cambridge Mineral Resources plc to be re-admitted to trading on the AIM market of the London Stock Exchange.

Prior to that date, Keith, Bayley, Rogers & Co. Limited (KBR) will be providing an execution-only matched bargain share trading facility for the Company's shares with effect from 7th July 2010. Under this facility shareholders or persons wishing to acquire or dispose of shares will be able to provide an indication to KBR of the price at which they are prepared to buy or sell. In the event that KBR is able to match that order with an opposite sell or buy instruction, KBR will contact both parties and effect the bargain (trade). A commission will be charged for this service. KBR can be contacted on 020 3100 8300.

The Company's next Annual General Meeting is expected to be held by September 2010 and the Notice of Meeting will be issued in due course. Your Board has convened a General Meeting to put the following matters to shareholders for approval:



## Letter to the Shareholders continued

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### **Resolution 1 - Share consolidation**

An ordinary resolution will be proposed to consolidate the Company's existing authorised share capital from 500,000,000 1 pence shares to 100,000,000 5 pence shares.

### **Resolution 2 - Directors' Authority to Allot Shares**

An ordinary resolution will be proposed to grant the directors authority to allot shares in the capital of the Company up to an aggregate nominal value of £1,345,957 (representing approximately 33% of the issued share capital of the Company as at 5 July 2010, being the latest practicable date prior to the publication of this document). If approved, the authority will expire at the conclusion of the next annual general meeting or, if earlier, no later than 15 months from the date on which the resolution is passed.

### **Resolution 3 - Authority for Disapplication of Statutory Pre-emption Rights**

A special resolution to empower the directors to allot ordinary shares in the capital of the Company for cash pursuant to Resolution 2 above, up to an aggregate nominal amount of £203,933 (representing approximately 5% of the issued share capital of the Company at 5 July 2010, being the latest practicable date prior to the publication of this document), without first having to offer these shares to existing shareholders. If approved, the authority will expire at the conclusion of the next annual general meeting or, if earlier, no later than 15 months from the date on which the resolution is passed.

### **Resolution 4 - Adoption of new Articles of Association**

A special resolution will be proposed to adopt new Articles of Association ("Articles"). The final provisions of the Companies Act 2006 (the "2006 Act") came into force on 1 October 2009. It is now proposed that the Articles be amended to reflect the provisions of the 2006 Act to ensure consistency with the 2006 Act.

Set out in the Appendix is a summary of the main amendments to be introduced by the proposed Articles. Changes which are of a minor, technical or clarifying nature have not been noted. The summary has been prepared in order to assist shareholders in understanding the rationale for and substance of the proposed amendments. Although the proposed Articles are in many respects largely unchanged from the current Articles, the Directors recommend that shareholders pass a resolution to adopt new articles of association rather than to pass resolutions detailing each individual amendment. A clean and black-lined version of the revised Articles can be requested from the Company's solicitors Messrs Kyriakides and Braier, 37 Queen Anne Street London W1G 9JB (telephone 0207 637 3289) prior to the General Meeting and will be available for inspection from 1 hour before the meeting until its conclusion.

### **Recommendation and Voting Intentions**

The Board considers the Resolutions set out in the notice of General Meeting to be in the best interests of Shareholders as a whole.

Accordingly, the Board unanimously recommends shareholders to vote in favour of the Resolutions to be proposed at the General Meeting. The directors intend to vote in favour of the Resolutions in respect of their own beneficial holdings of shares (amounting to in aggregate 22,267,308 shares representing approximately 5.46 per cent. of the issued share capital of the Company as at the date of this document).

Yours sincerely,

**M. Burton**  
Chairman



# Notice of General Meeting

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**Notice is Hereby Given** that a General Meeting of Cambridge Mineral Resources plc (the "Company") will be held at 11.00 a.m. on 28 July 2010 at the offices of Messrs. Keith, Baxley, Rogers & Co. Limited, 2nd Floor, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ, for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 and 2 will be proposed as ordinary resolutions and resolutions 3 and 4 will be proposed as special resolutions:

## 1. Consolidation

That, with effect from the close of business on the date of this meeting every 5 Ordinary shares of 1 pence in the capital of the Company in issue be consolidated into one Ordinary share of 5 pence each having the rights and ranking *pari passu* in all respects provided that, where such consolidation results in any member being entitled to a fraction of a Consolidated Ordinary Share, such fraction shall, so far as possible, be aggregated with the fractions of a Consolidated Ordinary Share to which other members of the Company may be entitled and the Directors be and are hereby authorised to sell (or appoint any other person to sell to any person), on behalf of the relevant members, all the Consolidated Ordinary Shares representing such fractions at the best price obtainable to any person, and to distribute the proceeds of sale (net of expenses) in due proportion among the relevant members entitled thereto (save that any fraction of a penny which would otherwise be payable, shall be rounded up or down in accordance with the usual practice of the Company's registrar and save that, the Company may retain the net proceeds of sale of such Consolidated Ordinary Shares representing such fractions where the individual amount of proceeds to which any member is entitled is less than five pounds (£5)) and that any Director (or any person appointed by the Directors) shall be and is hereby authorised to execute an instrument of transfer in respect of such shares on behalf of the relevant members 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 directions of, any buyer of any such shares.

## 2. Authority to Allot

That, in accordance with section 551 of the Companies Act 2006 (the "2006 Act"), the board of directors (the "Directors") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,345,957 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the conclusion of the next Annual General Meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the 2006 Act.

## 3. Disapplication of Statutory Pre-emption Rights

That, subject to the passing of the resolution 2 and in accordance with section 570 of the 2006 Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) which shall include the sale of treasury shares, wholly for cash pursuant to the authority conferred by resolution 2, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

- 3.1** the allotment of equity securities in connection with rights issues in favour of Ordinary shareholders where the equity securities respectively attributable to the interests of all Ordinary shareholders are proportionate (as nearly may be) to the respective numbers of Ordinary shares held by them on any such record date(s), subject to such exclusions to other arrangements at the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or otherwise howsoever, and
- 3.2** the allotment (otherwise than pursuant to sub-paragraph (3.1) above) of equity securities up to an aggregate nominal value of £203,933.

The authority contained in this resolution shall expire on the conclusion of the next Annual General Meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution save that the Company may, before such expiry make an offer or agreement 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.

## 4. New Articles of Association

- 4.1** That,
  - (a)** the Articles of Association of the Company be amended by deleting all the provisions in the Company's Memorandum of Association which, by virtue of section 28 of the 2006 Act, are to be treated as part of the Company's Articles of Association; and
  - (b)** the Articles of Association contained in a document produced to the meeting and signed by the Chairman for the purposes of identification be approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board

**Michael Burton**  
Director

Cambridge Mineral Resources plc  
37 Queen Anne Street, London W1G 9JB  
6 July 2010



## Notes to the Notice of General Meeting

## Appendix Summary of the new articles 04

### Appointment of proxies

1. As a member of the Company, 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.

2. 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. 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. 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. To appoint more than one proxy, please complete full details of all such proxies on the attached proxy form.

4. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

### Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA and
- received by the Company's registrars no later than 48 hours before the time of the meeting.

In the case of a member which is a company, the proxy form 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 proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### Appointment of proxy by joint members

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).

Changing proxy instructions

7. 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 apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company's registrar.

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.

### Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

- By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. 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.

In either case, the revocation notice must be received by the Company no later than 48 hours before the time of the meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

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.

### Set out in this Appendix is a summary of the main amendments to be introduced by the new Articles.

#### 1. The Company's Objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006 the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 4 (a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

#### 2. Change of Name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the Companies Act 2006 a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company's name.

#### 3. Authorised Share Capital and Unissued Shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the new Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

#### 4. Suspension of Registration of Share Transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the new Articles.

#### 5. Chairman's Casting Vote

The New Articles remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the Companies Act 2006.

# Attendance Card General Meeting 2010



Please bring this card with you to the Meeting and present it at Shareholder registration/accreditation.

To be held at 11a.m. on 28 July 2010 at the offices of Messrs. Keith, Bayley, Rogers & Co. Limited, 2nd Floor, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ

If you wish to attend this meeting in your capacity as a holder of Ordinary Shares, please sign this card and on arrival hand it to the Company's registrars. This will facilitate entry to the meeting.

**Signature of person attending**

**Bar code:**

**Proxy ID code:**

# Form of Proxy General Meeting 2010



I/We being a member of the Company hereby appoint the Chairman of the Meeting OR the following person.

Please leave this box blank if you have selected the chairman. Do not insert your own name(s).

**Name of Proxy**

**Bar code:**

**Proxy ID code:**

as my/our proxy, to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at the offices of Messrs. Keith, Bayley, Rogers & Co. Limited, 2nd Floor, Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ, at 11.00 a.m. on 28 July 2010 and at any adjournment thereof. I/We direct my /your proxy to vote in respect of the Resolutions to be proposed at the Meeting as indicated below:

Please tick here if this proxy appointment is one of multiple appointments being made.   
For the appointment of more than one proxy, please refer to note 2 above.

## Resolutions

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Please mark 'X' to indicate how you wish to vote

	For	Against	Vote Withheld
1. Consolidation of the Company's share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Authority to allot shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Authority to disapply the pre-emption rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adopt new Articles of Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

To assist with arrangements, if you intend attending the meeting in person please place an 'X' in the box.

**Number of Shares**

**Signature**

**Date**

# Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. 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.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
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. To appoint more than one proxy, please complete full details of all such proxies on the proxy form.
5. To direct your proxy how to vote on the resolutions mark the appropriate box with an "X". If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, the form must be:
  - Completed and signed;
  - Sent or delivered to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA ; and
  - Received by the Company no later than 48 hours before the time of the meeting.
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. 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).
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. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the Notice of Meeting.

BUSINESS REPLY  
Licence No. BM3865

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NEVILLE REGISTRARS LIMITED  
NEVILLE HOUSE  
18 LAUREL LANE  
HALESOWEN  
WEST MIDLANDS  
B63 3BR