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If you have sold or otherwise transferred all of your shares in Cambridge Mineral Resources Pic, you should pass this document and the accompanying acceptance form without delay to the purchaser or transferee, or to the stockbroker, bank or other person who arranged the sale or transfer so they can pass this document to the person who now holds the shares, but not if such person is in a jurisdiction other than the United Kingdom.

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Your attention is drawn to the letter from the Chairman of Cambridge Mineral Resources Plc in this document which explains why the Placing is being proposed. Before deciding on what action to take you should fully consider all the information in this document.

CAMBRIDGE MINERAL RESOURCES PLC

SUPPLEMENTARY CIRCULAR

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02255996)

Proposed placing of new Ordinary Shares at 5p per share to raise up to £250,000 (before expenses)

This document should be read in conjunction with the accompanying acceptance form.

This document includes statements that are, or may be deemed to be, "forward-looking statements". These statements relate to, among other things, analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements also relate to the Company's future prospects, developments and business strategies.

These forward-looking statements can be identified by their use of terms and phrases such as "anticipate", "believe", "could", "envisage", "estimate", "expect", "intend", "seek", "target", "may", "plan", "predict", "project", "will" or the negative of those variations, or comparable expressions, including references to assumptions.

The forward-looking statements in this document, including statements concerning projections of the Company's future results, operations, profits and earnings, are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. If one or more of risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

Save as required by law, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

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PLACING STATISTICS

Placing Price	5 pence
Existing Ordinary Shares	107,446,289
Number of Placing Shares	3,660,000
Number of Ordinary Shares in issue on completion of Placing (assuming full take-up by Shareholders if all Placing Shares are issued)	111,106,289
Estimated gross proceeds of the Placing receivable by the Company following publication of this supplementary circular	£182,000

Date of publication of this Document 10 September 2013

LETTER FROM THE CHAIRMAN

CAMBRIDGE MINERAL RESOURCES PLC

(Registered in England and Wales with Company No. 02255996)

Directors:

Geoffrey Hall (*Director and Non-Executive Chairman*)
Michael Burton (*Director*)
Mark Slater (*Director*)
Jose Navalon (*Director*)
David Swan (*Director*)
Timothy Greatrex (*Non-Executive Director*)

Registered Office
9 Greenleaf House
128 Darkes Lane
Potters Bar
Hertfordshire
EN61AE

10 September 2013

Dear Shareholder

Introduction

The Company recently undertook a fund raising exercise, offering existing shareholders the opportunity to acquire new shares at 5p per share pursuant to a circular dated 21 June 2013 (the "**Original Circular**"). The aim was to raise up to £250,000, and, to date, funds raised now total £68,000. To those of you who have already subscribed, the board extend their thanks.

The purpose in writing to you now is to inform you that we have extended the deadline for subscription and would like to encourage shareholders to subscribe for Placing shares with a view to supporting the board as they work to move your company forwards towards becoming a balanced junior mining company with good prospects in the short, medium and long term.

This circular is supplementary to, and should be read in conjunction with, the original circular of 21 June 2013 (the "Original Circular"). The Original Circular was sent to all eligible shareholders but if you require a further copy please contact us on 01702 580234 and we will be happy to send you a copy.

Use of funds

The Company has been awarded a mining concession (the "Concession") at Masa Valverde ("MV") in Andalucia, Spain. In the Original Circular I stated that the funds raised were to be used to supplement the working capital available to CMR. Meeting the expenses associated with the Concession has required a significant proportion of the funds raised.

Additionally CMR has paid expenses incurred in Spain in forming a new Spanish subsidiary, and paying fees to counterparties involved in preparing and presenting our bid for the Concession (of which a portion remains outstanding). As referred to in the Original Circular, CMR has signed a confidential Heads of Agreement with a major global mining entity to enter into a joint venture agreement to investigate and exploit the Concession. The joint venture agreement is now in the course of finalisation. Under the terms of the agreement, our partner will have the option to finance the expenditure required in return for an earn-in to the Concession, a common practice in mining exploration and development. The joint venture partner cannot currently be named due to a confidentiality agreement, but will be announced on the website as soon as possible.

Your company needs funds to:

- (a) pursue negotiations to acquire options over a number of other concessions in the MV region; the concessions are attractive because they are very close to MV, and in some cases can be brought into production more quickly than MV itself. The board has put substantial effort into building good relations with the current holders of these concessions and we believe there is a good chance of success. If successful, your company will be expanding its Andalucia mining interests in a coherent plan to build a regional mining operation. To acquire these options will require further payments to the current concession holders, and the purpose of this fundraising was, *inter alia*, to meet these payments. If the

funds raised are only to be the current level of £68,000, then some of these options will be not be forthcoming.

- (b) investigate and pursue the acquisition of a particular Andalucian concession that is in production currently and is approaching the end of its life. The Company's investigation of this concession is at an early stage. Acquiring such a concession would mean accepting liability for an environmentally satisfactory closedown, but crucially would provide your company with immediate cash flow. We are also exploring the possibility of acquiring a major near term-mining project in the region as an alternative. In this case, CMR will need to meet the technical and legal costs of a bid involving extensive work plans. Pursuing these alternatives gives your board the possibility of several alternative choices in the region.
- (c) Meet the final expenses in respect of acquiring the Concession. These expenses include the cost of the company's own lawyer in Spain.
- (d) Meet the anticipated costs of strengthening your board of directors.

CMR Board of directors

Since the Original Circular was posted, there have been significant additions to your board.

David Swan has been appointed Finance Director in succession to Michael Burton, who has stepped back from this particular role. David is an experienced mining executive, who brings high quality attributes to CMR, including financial planning skills and further compliance knowledge.

Douglas Chikohora and Mark Jones have both been appointed as mining consultants to the board. They bring immense mining, geological, operational and financial experience to the table.

We will need to be prepared to pay the market rate for these advisors. I believe that these appointments have strengthened your company immensely.

As your chairman, I wish to re-assure you that none of the funds raised in this fundraising have been paid to any of the company's directors.

Shareholders' response

Once again, to those who have already subscribed, our thanks. Please can I ask shareholders to consider their support for the new board, in the light of the above information which we are only now at liberty to divulge. The board's intention is to complete the reconstruction of your company into an entity that is sufficiently attractive to list on a public market. Our intention is to seek a listing at the earliest opportunity. We seek your support, to enable us to move to a position with much more strength and value, and we are looking towards a brighter future for the company.

I will be providing as much new information as possible at the 2013 AGM, of which details will shortly be sent to you. I encourage you to attend if at all possible.

Details of the Placing

The terms of the Original Circular apply to the subscription for shares in CMR.

The Placing will involve the subscription of up to 3,660,000 new Ordinary Shares at a Placing Price of 5 pence per Placing Share. There is no minimum requirement and Placing Shares will be issued to shareholders who have subscribed for them even if the offer of Placing Shares is not fully subscribed.

Each shareholder is invited to subscribe for a minimum of 20,000 Placing Shares. The cost of taking up 20,000 Placing Shares is £1,000. Thereafter shareholders may subscribe for Ordinary shares in lots of 10,000. The cost of taking up 10,000 Placing Shares is £500.

The Placing is expected to raise approximately £182,000 before expenses, although the Board has full discretion to extend the monies raised through the Placing if the Placing is oversubscribed. If the Placing is over subscribed, the Board will (at its discretion) reject or accept subscriptions in excess of £2,000. If your Board rejects your subscription due to an oversubscription your cheque will be returned unbanked. All subscriptions will be dealt with strictly on a first come, first served basis.

If you wish to participate in the Placing please complete, sign and return by 11 October 2013 the enclosed acceptance form together with your cheque in favour of Cambridge Mineral Resources Plc.

The Placing Shares will, when issued and fully paid, rank pari passu in all respects with the existing Ordinary Shares, including the right to receive all dividends or other distributions declared or made after the date of their issue.

Recommendation

The Directors, who take responsibility for the contents of this document, consider that the Placing is in the best interests of the Company and its Shareholders as a whole.

Yours sincerely

Geoffrey Hall
Chairman

RISK FACTORS

AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK.

An investment in the Ordinary Shares may not be suitable for all recipients of this document. Shareholders are therefore strongly recommended to consult an investment adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on investments of this nature before making their decision to invest.

The Directors consider the following risks and other factors to be most significant for potential investors, but the risks listed do not necessarily comprise all those associated with an investment in the Ordinary Shares and the risks listed below are not set out in any particular order of priority. Shareholders should carefully consider the risks described below before making a decision to invest in the Ordinary Shares. If any of the following risks actually occurs, the Company's business, financial condition, results or future operations could be materially adversely affected. In such a case Shareholders may lose all or part of their investment.

1. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. The Ordinary Shares are not listed or dealt on any stock exchange. In the event that the Ordinary Shares are subsequently listed on a stock exchange, this should not be taken as implying that there will be a "liquid" market in the Ordinary Shares. In addition, there is no guarantee that an application to a stock exchange for the Ordinary Shares to be traded will be made, or if made, will be successful.
2. The Company's capital requirements depend on numerous factors, including its ability to develop, maintain and expand partnership or joint venture arrangements for the exploitation of its products. It is difficult for the Directors to accurately predict the timing and amount of the Company's capital requirements. If the costs anticipated by the Directors for the proper financing of its business or joint venture arrangements change or prove to be inaccurate, or if the Company makes any material acquisitions, the Company may require further financing. Any additional equity financing may be dilutive to Shareholders, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.
3. The price which Shareholders may realise for their holding of Ordinary Shares, if and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others which are extraneous.
4. The value of the Ordinary shares may go down as well as up. Shareholders may therefore realise less than their original investment.
5. The Company's business must be considered in light of the risks, expenses and problems frequently encountered by other companies at the same stage of development as the Company.
6. The market for the Company's product and services may not develop at anticipated rates. If this is the case then the Company's revenues will be adversely affected.
7. Current and potential competitors may establish co-operative relationships among themselves or with third parties to enhance their services, accordingly, it is possible that new competitors or alliances among competitors may emerge and rapidly acquire significant market share.
8. Certain statements in this document may constitute forward-looking statements relating to such matters as projected financial performance, business prospects, new products, services and similar matters, a variety of factors could cause the Company's actual results and experience to differ materially from the anticipated results or other expectations expressed in the Company's forward-looking statements.

DEFINITIONS

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

"Company" or "CMR"	Cambridge Mineral Resources Plc, a company limited by shares incorporated in England & Wales with company number 02255996 and whose registered office is at 9 Greenleaf House, 128 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AE
"Directors" or "Board"	The directors of the Company as at the date of this Document, whose names are set out on page 4 of this Document
"Ordinary Shares"	The ordinary shares of 5p each in the capital of the Company
"Placing"	The placing by the Company of the Placing Shares at the Placing Price
"Placing Price"	5 pence per Placing Share
Placing Shares"	New Ordinary Shares to be issued and allotted by the Company pursuant to the Placing
"Shareholder"	A holder of Ordinary Shares

In this Document, all references to times and dates are in reference to those observed in London, United Kingdom.

In this Document the symbols "£" and "p" refer to pounds sterling and pence sterling respectively.