

The contents of this document have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Reliance on this document for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. In particular your attention is drawn to the Risk Factors set out in this document.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom.

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.

This document may only be made available in the United Kingdom and in circumstances which do not constitute an offer to the public in the United Kingdom. This document is **not for distribution outside the United Kingdom**.

This document is for distribution in the United Kingdom only to persons falling within the category described in article 43 (members and creditors) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and accordingly its contents have not been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000. If you are not such a person then you are required to return this document to us forthwith and you may not base any investment decision in respect of the Company on any part of this document.

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

CAMBRIDGE MINERAL RESOURCES PLC

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

Proposed Conditional Open Offer of up to 10,000,000 new Ordinary Shares at 5p per share to raise up to £500,000, 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.

The Open Offer closes at 11.00 a.m. on 30 November 2015. If you are an Eligible Shareholder and wish to apply for Open Offer Shares under the Open Offer you should follow the procedure set out in Part III of this Circular. If you do not wish to participate in the Open Offer then you should not return your Application Form. Applications under the Open Offer may only be made by the Eligible Shareholders originally entitled thereto.

The new Ordinary Shares will, following allotment, 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 (if any) on the Ordinary Share capital of the Company.

This document is being sent to all Shareholders, but in relation to those Shareholders who are not Eligible Shareholders (which means any Shareholders resident outside of the United Kingdom), it is being sent to them for information purposes only.

IMPORTANT INFORMATION

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or an applicable exemption from such registration requirements. None of the Existing Ordinary Shares or the Open Offer Shares have been, nor will they be, registered under the Securities Act or under the securities legislation of any state of the United States. There will be no public offering of the Existing Ordinary Shares or the Open Offer Shares in the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Open Offer has been, nor will it be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, nor will be, filed with the Japanese Ministry of Finance in relation to the Open Offer. None of the Open Offer Shares may, directly or indirectly, be offered or sold within any territory other than the United Kingdom, or offered or sold to a person within any territory other than the United Kingdom. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction. Persons (including, without limitation, nominees and trustees) receiving this document and/or an Application Form should not, in connection with the Open Offer, distribute or send this document or Application Form into any jurisdiction when to do so would, or might contravene local securities laws or regulations or be contrary to the terms and conditions of the Open Offer.

This document contains “forward-looking statements” which include all statements other than statements of historical fact including, without limitation those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “might”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law.

None of the Open Offer Shares have been, nor are they intended to be, registered or qualified for sale in any jurisdiction other than the United Kingdom. Accordingly, in relation to the Open Offer, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Existing Shareholders with registered addresses in any jurisdiction other than the United Kingdom, since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than the United Kingdom, he/she should not seek to take up his/her allocation.

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OPEN OFFER STATISTICS

| | |
|---|----------------------------------|
| Date of publication of this Document | 28 Oct 2015 |
| Issue Price per Open Offer Share | 5 pence |
| Existing Ordinary Shares | 151,303,661 |
| Number of Open Offer Shares | 10,000,000 |
| Number of Ordinary Shares in issue on completion of the Open Offer (assuming full take- up by Shareholders if all Open Offer Shares are issued) | 161,303,661 |
| Estimated gross proceeds of the Open Offer receivable by the Company following publication of this document | £500,000 |
| Record date for the Open Offer | 5.00 p.m. on 28 October |
| Despatch of Application Forms (to qualifying non-CREST shareholders only) | 29 October |
| Ex date for the Open Offer (if offer announced by 07:00) | 29 October |
| Entitlement security credited to stock accounts of qualifying CREST shareholders and enabled | 30 October |
| Recommended latest time for requesting withdrawal of entitlements from CREST | 16:30 on 12 November |
| Latest time for depositing renounced Application Forms into CREST | 15:00 on 16 November |
| Latest time and date for splitting Application Forms | 15:00 on 18 November |
| Latest time and date for acceptance and payment in full | 11:00 on 20 November |
| AGM to approve the issue | 2:00 pm 18 November |
| Placing and Open Offer Shares issued to CREST holders | 23 November |
| Expected date for despatch of definitive share certificates | Within 10 business days of issue |

PART I - LETTER FROM THE CHAIRMAN

CAMBRIDGE MINERAL RESOURCES PLC

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

Directors:

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

Registered Office

11 Greenleaf House
128 Darkes Lane
Potters Bar
Hertfordshire
EN61AE

28 October 2015

Dear Shareholder

Funding the future of Cambridge Mineral Resources (“Cambridge”).

The last year has been very positive for Cambridge. Our Masa Valverde project has progressed significantly under our joint venture with Glencore International in that 24,000 metres have been drilled to confirm previous results. In addition, we have recently secured drilling permission on our 100% owned Andalucia project thereby enabling us to commence drilling there soon.

Masa Valverde is considered to be the largest un-mined base metal project in western Europe with a medium-term timetable to potential production. Andalucia is a smaller base metal project but with a much nearer-term timetable to potential production.

As a result of these positive developments in respect of Cambridge's projects, your board of directors is now unanimously of the view that Cambridge is ready to re-enter the Stock Market. It was via the Stock Market that all of us became shareholders in the first place and we recognise that all shareholders want to see Cambridge return to the Stock Market. That is what we have been working towards since 2009 when we left the Stock Market.

Therefore, we have recently started the process of seeking to admit Cambridge on the AIM market of London Stock Exchange Plc (formerly known as the Alternative Investment Market), and we have accordingly selected and appointed the required advisors, being in our case Northland Capital Partners as Corporate Broker and Grant Thornton as Nominated Advisor. (It was Grant Thornton who listed Cambridge in AIM back in 1997).

In order to be admitted to AIM, a company needs to have the funds to meet the costs of the listing and the funds to meet its general (sensitised) working capital requirements for the next 18 months.

The costs of listing on AIM (“the IPO”) are expected to be approximately £500,000, and our minimum working capital requirements for the next 18 months are approximately £2m, being the costs of ongoing operations at Masa Valverde – to retain our 40% stake (otherwise with fewer funds we reduce our stake to 20% which would be much less beneficial for shareholders), and to continue to develop our Andalucia project, resulting in an aggregate cash requirement of £2,500,000. We believe that the benefits of an AIM listing include easier access to capital, liquidity for shareholders, a transparent valuation and greater profile and credibility for our company.

You will know that new investment in the Company has come from only a few sources in recent years. My own personal investments now total in excess of £620,000 since becoming Chairman in 2012. This includes funding the entire scout drilling programme at our Andalucia project. A programme of fund raising from existing shareholders in 2013, and a significant individual Spanish investor in 2014 have been the only additional source of funds.

I am therefore asking Eligible Shareholders to join with me in providing some or all of the additional funds required at this critical and exciting pre-IPO stage. The board are offering new shares at par/nominal value, i.e. 5p, on the basis of:

- 1 Open Offer Share for every 15 Ordinary Shares held at the Record Date

A personalised application form setting out your entitlement under the Open Offer (with the ability to subscribe more to the extent that all entitlements are not taken up under the Open Offer) is enclosed. The instructions as to

how to respond are contained in Part III of this document and in the Application Form.

With best wishes

Geoffrey Hall
Chairman
Cambridge Mineral Resources Plc

PART II - 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 any decision to invest and to what extent.

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 Open Offer 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 Open Offer 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.

Requirement for Additional Funding

The proceeds of the Open Offer are only anticipated to be sufficient to fund the Company's working capital needs for around 6 months from the date of completion of the Open Offer. Further funds will be required to develop the Company's projects and may include funds required for additional working capital. Failure to obtain sufficient financing for either project and any future projects may result in a delay or indefinite postponement of exploration, development or production on the Company's properties or even a loss of or substantial dilution in a property interest. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Nominal value of Ordinary Shares

The Ordinary Shares have a nominal value of 5 pence each which is equal to the Issue Price. As a matter of English company law, companies are not permitted to issue shares at below nominal value. Therefore, if at any time the Company wishes or needs to issue Ordinary Shares at a lower value to this current nominal value, the Company will need to propose resolutions to its Shareholders to re-organise its share capital as appropriate (and create a new class of deferred shares) to permit it to issue new ordinary shares at or above a new nominal value. There can be no guarantee that such resolutions would, if proposed, achieve the required majority to enable them to be passed such as to enable the Company to issue shares at or above this new nominal value.

Volatility of Mineral Prices

The activities of the Company and the viability of its projects will be subject to fluctuations in demand and prices for minerals generally. A significant reduction in global demand for the minerals to be sold by the Company, leading to a fall in prices, could lead to a delay in exploration and production or even abandonment of one or more of the Company's projects should they prove uneconomical to develop.

There is also uncertainty as to the possibility of increases in world production both from existing mines and as a result of mines currently closed being reopened in the future if price increases make such projects economic. Consequently, price forecasting can be difficult to predict or imprecise. Any future income from mineral sales may be subject to exchange rate fluctuations and become subject to exchange control or similar restrictions.

The availability of a ready market for the minerals expected to be produced by the Company depends upon numerous factors beyond its control. These factors (the list of which is not exhaustive) include: general economic activity, world metal market prices, action taken by other producing nations, the availability and pricing of other substitute minerals, the extent of governmental regulation and taxation. The aggregate effect of these factors on the Company's activities is difficult to predict.

Exploration and Mining Licences

All of the licences currently held by the Company (or a subsidiary) are exploration licences. Prior to the commencement of mining and processing activities, mining licences and all other permits and regulatory consents will need to be obtained.

Although the Company believes that such licences, permits and regulatory consents should be obtained for the commencement of mining and production activities, there can be no assurance regarding these matters.

The exploration licences currently held by the Company (or a subsidiary) and any mining or prospecting licences acquired by a group company in the future will be subject to licence requirements, which include, inter alia, certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant licences.

Competition

A number of other mining companies operate mineral exploration and development assets in the regions in which the Company currently operates and may operate in the future, thereby providing competition to the Company. Larger companies, in particular, may have access to greater resources than the Company which may give them a competitive advantage.

Exploration Risk

Whether or not income will result from the Company's projects depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and mineral prices affect successful project development, as does the design and construction of efficient processing facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants.

Mineral exploration is speculative in nature, involves many risks and frequently is unsuccessful. There can be no assurance that any discovered mineralisation will result in an increase in the reserves or resources of the Company. If reserves are developed, it can take a number of years from the initial phases of drilling and identification of mineralisation until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish reserves through drilling, to determine processes to extract minerals and, in the cases of new properties, to construct mining and processing facilities. Even if the Company recovers commercial quantities of minerals, there is a risk that it will not achieve a commercial return. For example, the Company's subsidiaries or associated companies may not be able to transport the minerals to commercially viable markets at a reasonable cost or may not be able to sell the minerals to customers at a price and quantity which would cover their operating and other costs.

Exploration and evaluation may be hampered by mining and environmental legislation, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies. Adverse weather conditions over a prolonged period could also negatively affect exploration, mining and drilling operations and the timing of earning revenues.

As a result of these uncertainties, no assurance can be given that the exploration programmes undertaken by the Company will result in any new commercial mining operations being brought into operation.

Mining risk

The business of the development and exploitation of mineral deposits involves a high degree of risk. The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological, geotechnical and seismic factors, environmental hazards (including discharge of pollutants or hazardous chemicals), industrial and mechanical accidents, occupational and health hazards, unscheduled plant shutdowns or other processing problems, technical failures, labour disputes, unusual or unexpected rock formations, unanticipated ground or water conditions, flooding and extended interruptions due to inclement or hazardous weather conditions, explosions and other acts of god.

The occurrence of any of these hazards may delay or interrupt production, increase production costs and result in liability to the owner or operator of the mine. The Company and its group members may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.

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 value of the Ordinary shares may go down as well as up. Shareholders may therefore realise less than their original investment.
3. 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.

Part III - TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

The Company hereby invites Eligible Shareholders to apply, on and subject to, the terms and conditions set out in this document and in the Application Form, and subject to the Articles of the Company, for Open Offer Shares at the Issue Price, free from all expenses, payable in cash in full on application. Eligible Shareholders are being given the opportunity to subscribe for their Entitlement at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings.

Only Eligible Shareholders, that is Shareholders who are resident in the United Kingdom will be eligible to make an application for Open Offer Shares. Shareholders domiciled in any other territory, including any other EEA member state, will not be permitted to apply for any Open Offer Shares.

The Open Offer 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 and other distributions declared, made or paid after the date of their issue. The allotment and issue of the Open Offer Shares will be made upon and be subject to the terms and conditions set out in this document and in the Application Form.

If an Eligible Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form.

A maximum number of 10,000,000 Open Offer Shares will be offered to Eligible Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

The total consideration under the Open Offer shall be less than €5 million (or an equivalent amount in sterling) in aggregate.

2. Principal terms and conditions of the Open Offer

Eligible Shareholders are being given the opportunity to subscribe for their Entitlement at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

1 Open Offer Share for every 15 Existing Ordinary Shares

held at the Record Date. Open Offer Entitlements will be rounded down to the nearest whole number of shares and fractional entitlements which would have otherwise arisen will not be issued.

Eligible Shareholders may apply for, on and subject to the terms and conditions set out in this document and in the accompanying Application Form, any whole number of Open Offer Shares at the Issue Price. Once initial *pro rata* entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications under the Excess Application Facility in full or in part.

Only Eligible Shareholders, which means only Shareholders who are resident in the United Kingdom, will be eligible to make an application for Open Offer Shares. Shareholders domiciled in any other territory, including any other EEA member state, will not be permitted to apply for any Open Offer Shares.

Eligible Shareholders should be aware that the Open Offer is not a rights issue and the Application Form is not a negotiable document and cannot be traded. Applications for Open Offer Shares may only be made by the Eligible Shareholder originally entitled.

Open Offer Shares not applied for under the Open Offer will be made available to applicants under the Excess Application Facility with the net proceeds being retained for the benefit of the Company and Eligible Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer.

3. Conditions to Completion of the Open Offer and Allotment of Open Offer Shares

The completion of the Open Offer and the subsequent allotment of Open Offer Shares are each conditional upon both of the following conditions:

- (i) that an ordinary resolution that the directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 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 £5,000,000; and

- (ii) that a special resolution that the Directors be and are empowered, pursuant to section 570(1) of the 2006 Act to allot equity securities (within the meaning of section 560(1) of the 2006 Act) for cash pursuant to the authority confirmed by the above resolution as if section 561(1) of the 2006 Act did not apply to such allotment up to an aggregate nominal amount of £5,000,000;

are each passed by the Company (the “**Conditions**”) at the Annual General Meeting of the Company to be held on or by 2:00pm 18 November 2015, or any adjournment of it (the “**AGM**”).

If the Conditions are not fulfilled at the AGM or any adjournment of it, then neither the completion of the Open Offer nor the allotment of Open Offer Shares shall take place.

4. Further terms of the Open Offer

All monies received by the Receiving Agent in respect of Open Offer Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will notify Shareholders.

5. Procedure for Application and Payment

Eligible Shareholders will receive a personalised Application Form. The Application Form will show the number of Ordinary Shares held at the Record Date, your Entitlement, the cost of Open Offer Shares available, and the total number of Open Offer Shares available under their Open Offer Entitlement that can be allotted.

Eligible Shareholders who do not wish to apply for any Open Offer Shares under the Open Offer should not complete or return the Application Form. Eligible Shareholders who hold their Ordinary Shares through a nominee and who wish to apply for Open Offer Shares must contact their nominee as such Eligible Shareholders will not be able to apply for Open Offer Shares directly using the Application Form.

(a) If you receive an Application Form in respect of your Open Offer Entitlements under the Open Offer

(i) General

Subject as provided in paragraph 7 of this Part II in relation to Overseas Shareholders, Eligible Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Open Offer Record Date. It also shows the number of Open Offer Shares for which you may apply pursuant to your Open Offer Entitlement, (on an initial *pro rata* basis) as shown by the total number of Open Offer Shares allocated to you. You may apply for less than your initial *pro rata* entitlement should you wish to do so. You may apply for more Open Offer Shares than you are entitled to should you wish to do so through the Excess Application Facility as long as you have taken up all of your Open Offer Entitlements. The total number of Open Offer Shares is fixed and will not be increased in response to any applications in excess of what is available under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Eligible Shareholders do not apply for their Open Offer Entitlements in full. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications for excess Open Offer Shares by Eligible Shareholders will be met in full or in part or at all.

(ii) Application procedures

Completed Application Forms should be posted in the pre-paid envelope accompanying the Application Form or returned by post or by hand (during normal business hours only) to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 20 November 2015, after which time Application Forms will not be valid. Eligible Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Eligible Shareholders are recommended to allow at least four working days for delivery if posted by first class post. If you have any questions relating to this Circular, and the completion and return of the Application Form, please telephone the Receiving Agents on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls are charged at your network providers standard rate. Calls outside the United Kingdom will be charged considerably more. Lines are open between 9.00 a.m. till 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Receiving Agents cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

All payments must be in pounds sterling and made by cheque made payable to Neville Registrars Limited re clients account and crossed “A/C Payee Only”.

Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques whereby the building society or bank has endorsed the name of the account holder. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

If an Application Form encloses a payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- i) to reject the application in full and return the cheque or refund the payment to the Eligible Shareholder in question; or
- ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Eligible Shareholder in question, save that any sums of less than £1.00 will be retained for the benefit of the Company; or
- iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sums to the Eligible Shareholder in question, save that any sums of less than £1.00 will be retained for the benefit of the Company.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a separate non-interest bearing client account.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 20 November 2015; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 20 November 2015 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If Open Offer Shares have already been allotted to an Eligible Shareholder and such Eligible Shareholder's cheque is not honoured upon first presentation or such Eligible Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Eligible Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. Neither Receiving Agent nor the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Eligible Shareholders.

The instructions, notes and other terms set out in the Application Form constitute part of the terms of the Open Offer.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to the Receiving Agent, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA or, you can contact them on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls are charged at your network providers standard rate. Calls outside the United Kingdom will be charged considerably more. Lines are open between 9.00 a.m. till 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the helpline cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(b) *If you have your Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer*

(i) *General*

Each Eligible CREST Shareholder will receive a credit to their stock account in CREST in respect of their Open Offer Entitlements. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held on the Record Date by the Eligible CREST Shareholder in respect of whom the Open Offer Entitlements have been allocated. An Eligible CREST Shareholder may apply for more or less Open Offer Shares than he is entitled to should he wish to do so. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine in their absolute discretion and, as such, no assurance can be given that the applications for excess Open Offer Shares by Eligible CREST Shareholders will be met in full or in part or at all. If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Eligible CREST Shareholders cannot be credited by, 5.00 p.m. on 30 October 2015, or such later time and/or date as the Company may decide, an Application Form will be sent to each Eligible CREST Shareholder in substitution for the Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Circular will be adjusted as appropriate and the provisions of this Circular applicable to Eligible Non-CREST Shareholders with Application Forms will apply to Eligible CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below.

Should you need advice with regard to these procedures, please contact the Receiving Agent, Neville Registrars Limited on 0121 585 1131 or if calling from outside the UK on +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged considerably more. Neville Registrars Limited are open between 9.00 a.m. till 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(ii) *Market claims*

Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Transactions identified by the CREST Claims Processing Unit as "CUM" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

(iii) *Excess Application Facility*

Eligible CREST Shareholders at the Record Date who wish to make applications for additional Open Offer Shares (in excess of their initial *pro rata* entitlement) and who have taken up all of their Open Offer Entitlements should follow the instructions below for submitting a USE in respect of the Excess Application Facility.

Once subscriptions under the Open Offer Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part, and no assurance can be given that applications by Eligible Shareholders for Excess Shares under the Excess Application Facility will be met in full or in part or at all.

(iv) *Unmatched Stock Event ("USE") instructions*

Eligible CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will have the following effect: (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE

instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

(v) Content of USE instruction in respect of Open Offer Entitlements

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of Open Offer Shares for which application is being made and the number of Open Offer Entitlements being delivered to the Receiving Agent;
- (b) the ISIN of the Open Offer Entitlements. This is GB00BYRPN068;
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA11;
- (f) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is CMR;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 20 November 2015; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 20 November 2015. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 20 November 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 23 November 2015 or such later time and date as the Company may determine (being no later than 8.00 a.m. on 15 December 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(vi) Content of USE Instructions in respect of the Excess Application Facility

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of excess Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (b) the ISIN of the Excess Application Facility. This is GB00BYRPN282;
- (c) the participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 7RA11;

- (f) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is CMR;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 20 November 2015; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 20 November 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 20 November 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 23 November 2015 or such later time and date as the Company may, in its absolute discretion, elect (being no later than 8.00 a.m. on 15 December 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

(vii) Deposit of Open Offer Entitlements into, and withdrawal from, CREST

An Eligible Non-CREST Shareholder's entitlements to apply for Open Offer Shares under the Open Offer set out in this Application Form may be deposited into CREST (either into the account of the Eligible Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Eligible Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlements under the Open Offer are reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) to the provisions of the Application Form. A holder of an Application Form who is proposing to deposit the entitlements set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable a person holding or acquiring such Open Offer Entitlements following their deposit into CREST, to take all necessary steps in connection with taking up such entitlements prior to 3.00 p.m. on 16 November 2015. A holder of an Application Form who deposits his Open Offer Entitlement into his CREST account, will receive a credit to such account for his Open Offer Entitlement which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements, is 3.00 p.m. on 16 November 2015 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 12 November 2015 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 20 November 2015. Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Eligible Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing the Open Offer Entitlements into CREST" on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that they are not a citizen or resident of a Restricted Jurisdiction, or any other jurisdiction in which the application for Open Offer Shares is prevented by law, and where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(viii) Validity of application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 20 November 2015 will constitute a valid application under the Open Offer.

(ix) CREST procedures and timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 20 November 2015. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(x) Incorrect or incomplete applications

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (a) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilized sum to the CREST member in question (without interest).

(xi) Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion:

- (a) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III;
- (b) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (d) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

(xii) Lapse of the Open Offer

In the event that the Conditions are not fulfilled, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

6. Warranties

Each Eligible Shareholder who makes or is treated as making a valid application for Open Offer Shares represents, covenants, agrees and acknowledges as set out in this paragraph 5 of this Part III of this Circular:

- a) the Company and others will rely upon its representations, warranties, covenants, agreements and

acknowledgements set forth herein, and it agrees to notify the Company promptly in writing if any of its representations, warranties, covenants, agreements or acknowledgements ceases to be accurate and complete;

- b) it has read and understood and accepted the terms and conditions of the Open Offer contained in this Circular and its application for Open Offer Shares shall be on and subject to the terms and conditions of this Circular and the Application Form;
- c) it agrees that all applications, and contracts resulting therefrom, under the Open Offer or in connection therewith shall be governed by, and construed in accordance with, the laws of England;
- d) it agrees to pay the amount payable on application in accordance with the payment procedures described in this Part II of this Circular;
- e) it is an Eligible Shareholder originally entitled to the Open Offer Entitlements and Excess Open Offer Entitlements, or if it has received some or all of its Open Offer Entitlements and Excess Open Offer Entitlements from a person other than the Company, it is entitled to apply under the Open Offer in relation to such Open Offer Entitlements and Excess Open Offer Entitlements;
- f) it may lawfully acquire the Open Offer Shares to be subscribed by it pursuant to the Open Offer (including the Excess Application Facility) and has the capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Open Offer Shares and will honour such obligations;
- g) it agrees that its obligations under this agreement shall not be capable of rescission or termination by it in any circumstance;
- h) in agreeing to acquire the Open Offer Shares, it is relying on the information contained in this Circular and it is not relying on any other information given or representation, warranty, undertaking, agreement or statement made at any time by the Company or any of its officers, directors, agents, employees or advisers, or any other person in relation to the Company or its subsidiary or associated undertakings, the Open Offer or the Open Offer Shares to be issued pursuant to the Open Offer, and neither the Company nor any other person (including for the avoidance of doubt Grant Thornton and Northland Capital Partners) will be liable for any Eligible Shareholder's decision to participate in the Open Offer based on any other information, representation, warranty, undertaking, agreement or statement which Eligible Shareholders may have obtained or received. In addition, it has neither received nor relied on any confidential price sensitive information. Nothing in this paragraph shall exclude the liability of any person for fraud;
- i) it meets all required qualifications and other requirements to be offered Open Offer Shares and is entitled to acquire the Open Offer Shares under the terms of the Open Offer and the laws of all relevant jurisdictions which apply to it (the "**Applicable Securities Laws**") and it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has not taken any action or omitted to take any action which will or may result in the Company or any of its respective officers, directors, agents, employees or advisers acting in breach of any law or regulatory requirement of any territory or jurisdiction in connection with the Open Offer or its entitlement;
- j) it is not, nor is it applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome and the Eligible Shareholder is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction (except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor such person otherwise prevented by legal or regulatory restrictions from applying for the Open Offer Shares under the Open Offer;
- k) it irrevocably appoints any director of the Company as its agent for the purpose of executing and delivering to the Company and/or the Receiving Agent any documents on its behalf necessary to enable it to be registered as the holder of the Open Offer Shares;
- l) it is not, and nor is it applying for the Open Offer Shares as nominee or agent for, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the Finance Act 1986 (Depositary Receipts and Clearance Services) and, in the event of any breach of this warranty, it agrees that the Company will not have any liability to it or other persons in respect of such duty or tax;
- m) the Applicable Securities Laws do not require the Company to make any filings or seek any approvals of any

kind whatsoever from any regulatory authority of any kind in connection with the Open Offer in the jurisdiction in which it is resident;

- n) the purchase by it of Open Offer Shares does not trigger in the jurisdiction in which it is resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action;
- o) its application for Open Offer Shares under the Open Offer will not result in it and/or persons acting in concert with it obtaining an interest in greater than 29.9 per cent. of the total number of Ordinary Shares in issue following the Open Offer;
- p) it and any person acting on its behalf is aware of the obligations in connection with money laundering under the Money Laundering Regulations to the extent applicable to it and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Money Laundering Regulations;
- q) it agrees to be bound by the terms of the Memorandum of Association and Articles of Association of the Company in force immediately following Admission;
- r) it will not deal or cause or permit any other person to deal in all or any of the Open Offer Shares unless and until Admission becomes effective;
- s) the Company is relying on one or more exemptions from the registration requirements of the Securities Act and, as a consequence of acquiring the Open Offer Shares pursuant to such exemption(s), certain protections, rights and remedies provided by applicable securities laws will not be available to it, including an obligation on the Company to provide it with a prospectus or other disclosure document, and, save for this Circular, no offer document, admission document or prospectus has been, or is required to be, prepared in connection with the Open Offer;
- t) it has not received a prospectus or admission document or, save for this Circular, other offering document in connection with the Open Offer, and no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Open Offer Shares or the fairness or suitability of the investment in the Open Offer Shares nor have such authorities passed upon or endorsed the merits of the offering of the Open Offer Shares;
- u) neither the Company nor any person acting on its behalf nor any of its affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in any information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person;
- v) if it is acquiring any Open Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, covenants, agreements and acknowledgements on behalf of each such account;
- w) it acknowledges that neither the Open Offer Shares or the Open Offer Entitlements or the Excess Open Offer Entitlements have been nor will they be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
- x) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Circular (or any part thereof) to or within the United States or any other Restricted Jurisdiction nor will it do any of the foregoing;
- y) it is purchasing the Open Offer Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Open Offer Shares in any manner that would violate the Securities Act, or any other applicable securities laws, and it does not have a present arrangement to effect any distribution of the Open Offer Shares to or through any person or entity;
- z) it is not acquiring any the Open Offer Shares for resale in the United States and it has not and will not deliver or forward any advertisement or other offering material in relation to the Open Offer Shares in or into the United States;
- aa) it will indemnify and hold the Company and its affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, agreements and covenants in this Circular. All representations, warranties, agreements and covenants given by it in this Circular are given to the Company and will survive completion of the Open Offer;

- bb) it is acquiring the Open Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act;
- cc) at the time it received the offer to purchase the Open Offer Shares it was not in the United States;
- dd) it (i) understands and acknowledges that the offering and sale of the Open Offer Shares are not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States; and (ii) acknowledges that no Application Form, where appropriate, will be accepted by any such use, means, instrumentality or facility or from within the United States, and doing so may render such Application Form invalid;
- ee) its receipt and execution of the Application Form, where appropriate, each occurred outside the United States; and
- ff) it is not acquiring the Open Offer Shares as a result of or due to, and will not engage in, any “directed selling efforts” (as defined in Regulation S under the Securities Act) in the United States in respect of the Open Offer Shares, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Open Offer Shares, including placing an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States.

7. Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations 2007 (the “**Regulations**”) as subsequently amended, it is a term of the Open Offer that the Receiving Agents and/or the Registrars may, at their absolute discretion, require verification of identity including by electronic means from any person completing an Application Form (the “**Applicant**”) and, without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of a cheque drawn on an account in the name of any person or persons other than the Applicant or (ii) appears to the Receiving Agent to be acting on behalf of some other person.

This may involve verification of the identity of any person on whose behalf the Applicant appears to be acting.

Lodging of an Application Form with the appropriate remittance constitutes a warranty by the Applicant that the Regulations will not be breached by the acceptance of the remittance and an undertaking to provide such evidence of identity at the time of lodging an Application Form or, in the absolute discretion of the Company, within a reasonable time thereafter (in each case to be determined at the absolute discretion of the Company and the Receiving Agent) as may be required to ensure compliance with the Regulations.

If satisfactory evidence of identity has not been received by Receiving Agent within a reasonable period of time, then the Application Form in question may be rejected, in which event the application will not proceed any further and the application monies (without interest) will be returned to the bank account on which the cheque was drawn at the Applicant’s own risk. Where possible, Applicants should make payment by cheque in their own name. If a or building society cheque is used, the Applicant should request his/her bank to endorse the cheque with his/her name.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Receiving Agents’ and/or the Registrars’) right to require verification of identity as indicated above).

8. Overseas Shareholders

Only Eligible Shareholders, which means only Shareholders that are resident and domiciled in the United Kingdom, will be eligible to make an application for Open Offer Shares, and in particular no person receiving a copy of this Circular or the Application Form in any other territory may treat the same as constituting an offer or invitation to him/her nor should he/she in any event complete the Application Form. Accordingly, persons receiving this Circular and Application Form should not send the same into any other territory, and any copy of this Circular or the Application Form which is received in any such jurisdiction is sent for information only, is confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application to subscribe for new Ordinary Shares pursuant to the Open Offer which appears to the Company or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or which does not include the warranties set out in the Application Form.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale under in any jurisdiction other than the United Kingdom. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any other jurisdiction other than the United Kingdom since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than the United Kingdom, he/she should not seek to take up his/her allocation.

9. Withdrawal rights

Eligible Shareholders wishing to exercise or direct the exercise of statutory withdrawal rights pursuant to section 87Q(4) of the FSMA **only after the issue by the Company of a prospectus supplementing this document** must do so by lodging a written notice of withdrawal, which must include the full name and address of the person wishing to exercise statutory withdrawal rights with the Receiving Agent so as to be received by no later than two Business Days after the date on which the supplementary prospectus is published, withdrawal being effective as at posting of the written notice of withdrawal. Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant Eligible Shareholders of its subscription in full and the allotment of Open Offer Shares to such Eligible Shareholders becoming unconditional, save to the extent required by statute. In such event, Shareholders are advised to seek independent legal advice.

10. Times and dates

The Company reserves the right to amend or extend the closing time of the Open Offer from 11.00 a.m. on 20 November 2015 and all related dates set out in this Circular. In such circumstances, the Company shall notify shareholders in writing.

If a supplementary circular is published by the Company two or fewer business days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this Circular, the latest date for acceptance under the Open Offer shall be extended to the date that is at least three business days after the date of publication of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

11. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this Circular, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this Circular or the Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this Circular or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular and, where applicable, the Application Form, Eligible Shareholders irrevocably submit to the jurisdiction of the courts of England and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

12. Further information

Your attention is drawn to the further information set out in this Circular and also to the terms, conditions and other information printed on the Application Form.

DEFINITIONS

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

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| "Application Form" | the personalised application form for use by Eligible Shareholders in connection with the Open Offer and which accompanies this document |
| "Articles" | the Company's articles of association |
| "Company" or "CMR" | Cambridge Mineral Resources Plc, a public company limited by shares incorporated in England & Wales with company number 02255996 and whose registered office is at 11 Greenleaf House, 128 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AE |
| "Conditions" | the conditions to the completion of the Open Offer and the allotment of Open Offer Shares as set out in paragraph 3 of Part III of this document |
| "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 |
| "Eligible Shareholders" | holders of Existing Ordinary Shares whose names appear on the Company's register of members on the Record Date with registered addresses in the United Kingdom |
| "Entitlement" | the entitlement of an Eligible Shareholder to participate in the Open Offer on the terms described in this document and the Application Form |
| "Excess Application Facility" | the ability for Eligible Shareholders to apply for Open Offer Shares in excess of their Entitlement, subject to scaling back in accordance with the terms of the Open Offer |
| "Existing Ordinary Shares" | the 151,303,661 ordinary shares of 5 pence each in the capital of the Company which are in issue at the date of this document |
| "Issue Price" | the issue price under the Open Offer per Open Offer Share, being 5 pence |
| "Open Offer" | the conditional open offer for the Open Offer Shares as described in and made on the terms of this document and the Application Form |
| "Open Offer Shares" | the up to 10,000,000 proposed new Ordinary Shares which are the subject of the Open Offer |
| "Ordinary Shares" | the ordinary shares of 5p each in the capital of the Company |
| "Overseas Shareholders" | Shareholders who are resident in, citizens of or whose registered address is situated elsewhere than the United Kingdom |
| "Record Date" | 5.00pm on 28 October 2015. |
| "Receiving Agent" and "Registrar" | Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA |
| "Restricted Jurisdiction" | any jurisdiction outside of the United Kingdom |
| "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.

