

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (“FSMA”) (or, if you are a person outside the UK, a person otherwise similarly qualified in your jurisdiction). The whole of the text of this document should be read. You should be aware that investment in the Company is speculative and involves a high degree of risk.

If you have sold or otherwise transferred all of your holding of Existing Ordinary Shares held in certificated form prior to the Ex-Entitlement Date, please send this document and, if appropriate, the accompanying Application Form at once to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was or is effected, for onward delivery to the purchaser or transferee, except that such documentation should not be sent into a Restricted Jurisdiction or other jurisdiction where doing so may constitute a violation of local securities laws or regulations. If you have sold or otherwise transferred Existing Ordinary Shares held in an uncertificated form prior to the Ex-Entitlement Date, a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Open Offer Entitlements to the purchaser or transferee through CREST. If you have sold or otherwise transferred some only of your Existing Ordinary Shares held in certificated form before the Ex-Entitlement Date you should immediately consult the stockbroker, bank or other agent through or by whom the sale or transfer was effected and refer to the instructions regarding split applications set out in the Application Form.

Application will be made for the New Ordinary Shares to be admitted to trading on the AIM Market of London Stock Exchange plc (“AIM”). It is expected that admission to AIM will become effective and that dealings in the New Ordinary Shares will commence on 10 April 2017. The Existing Ordinary Shares are admitted to trading on AIM. **AIM is a market designed primarily for emerging and smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consulting with an independent financial adviser.**

The Company, the Directors and Proposed Directors, whose names are set out on page 6, accept responsibility for the information set out in this document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this document has not been and will not be reviewed or approved by the FCA or any other authority or regulatory body. In addition, this document does not constitute an admission document under the AIM Rules.

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# Orogen Gold plc

*(to be renamed Orogen plc)*

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 05379931)*

## **New Strategy and Change of Name**

### **Proposed Capital Reorganisation**

### **Placing of 200,000,000 New Ordinary Shares at 1.5p per share**

### **Open Offer of up to 31,364,011 New Ordinary Shares at 1.5p per share**

### **Appointment of Proposed Directors**

**and**

### **Notice of General Meeting**

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The distribution of this document and/or the accompanying Form of Proxy and/or the accompanying Application Form in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Cairn Financial Advisers LLP (“Cairn”) and Turner Pope Investments (TPI) Ltd (“Turner Pope”), which are both regulated in the UK by the FCA, are acting as the Company’s nominated adviser and placing agent, respectively, in connection with the proposed Admission. Cairn’s responsibilities as the Company’s nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange plc and are not owed to the Company or to any Director, or to any other person in respect of his decision to acquire New Ordinary Shares in reliance on any part of this document without limiting the statutory rights of any person to whom this document is issued. No representation or warranty, express or implied, is made by Cairn or Turner Pope as to, and no liability whatsoever is

accepted by Cairn or Turner Pope for the accuracy of any information or opinions contained in this document or for the omission of any material information from this document for which the Company and the Directors are solely responsible. Neither Cairn nor Turner Pope will be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document in respect of any acquisition of New Ordinary Shares. This document has not been approved for the purposes of section 21 of FSMA.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman set out on pages 11 to 20 of this document which provides details of the Proposals and recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

A notice convening a General Meeting of the Company to be held at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 11.00 a.m. on 7 April 2017 is set out at the end of this document. A Form of Proxy accompanies this document. **To be valid, Forms of Proxy for use at the meeting must be completed and returned so as to be received at the offices of the Company's Registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU not later than 11.00 a.m. on 5 April 2017** (or in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). The completion and depositing of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

The Open Offer closes at 11.00 a.m. on 6 April 2017. If you are a Qualifying Shareholder and wish to apply for Open Offer Shares under the Open Offer you should follow the procedure set out in Part IV of this document and, if you are a Qualifying Non-CREST Shareholder, complete and return the accompanying Application Form. Qualifying CREST Shareholders (who will not receive an Application Form) will receive instead a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements which will be enabled for settlement on 22 March 2017. If you do not wish to participate in the Open Offer then you should not return your Application Form or send a USE instruction through CREST. Applications under the Open Offer may only be made by the Qualifying Shareholders originally entitled thereto or by persons becoming so entitled, by virtue of a *bona fide* market claim arising out of the sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares are marked 'ex' the entitlement by the London Stock Exchange.

If the Open Offer Entitlements are for any reason not enabled by 3.00 p.m. on 22 March 2017 or such later time as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to his stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or to receive another Application Form they should contact the Receiving Agent at Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Copies of this document will be available free of charge during normal business hours on any day (except Saturdays and public holidays) at the offices of Cairn Financial Advisers LLP, Cheyne House, Crown Court, 62-63 Cheapside, London EC2V 6AX until the Open Offer closes. This document will also be available on the Company's website, [www.oringold.com](http://www.oringold.com).

No person has been authorised to make any representations on behalf of the Company concerning the Open Offer which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been authorised. No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

The Placing Shares and the Open Offer Shares will, following allotment, rank *pari passu* in all respects with the ordinary shares of 0.01p each arising pursuant to the Capital Reorganisation including the right to receive all dividends and other distributions declared made or paid 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 Qualifying Shareholders (which means any Shareholders resident in a Restricted Jurisdiction) it is being sent to them for information purposes only.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2017

Record Date for Open Offer Entitlements	close of business on 17 March
Announcement of the Proposals	7.00 a.m. on 21 March
Publication and posting of this document and posting of the Form of Proxy and the Application Form to Qualifying Shareholders	21 March
Ex-Entitlement Date	8.00 a.m. on 21 March
Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	as soon as possible after 8.00 a.m. on 22 March
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 30 March
Recommended latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 31 March
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 4 April
Latest time for receipt of Forms of Proxy and receipt of electronic proxy instructions via the CREST system	11.00 a.m. on 5 April
<b>Latest time and date for receipt of completed Application Forms, and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)</b>	<b>11.00 a.m. on 6 April</b>
General Meeting	11.00 a.m. on 7 April
Announcement of result of General Meeting and Open Offer	7 April
Record date for the Capital Reorganisation	close of business on 7 April
Last day of trading in Existing Ordinary Shares	7 April
Admission effective and trading expected to commence in the New Ordinary Shares on AIM	8.00 a.m. on 10 April
CREST members' accounts credited in respect of Placing Shares and Open Offer Shares in uncertificated form	as soon as possible after 8.00 a.m. on 10 April
Dispatch of share certificates in respect of Placing Shares and Open Offer Shares	week commencing 17 April

If you have any queries on the procedures for application under the Open Offer, you should contact the Receiving Agent, Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

All times are London times and each of the times and dates are subject to change. If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service. Certain of the events in the timetable above are conditional upon, *inter alia*, the approval of the Resolutions.

## PLACING AND OPEN OFFER STATISTICS

Number of Existing Ordinary Shares*	7,841,002,670
Number of New Ordinary Shares in issue immediately following the Capital Reorganisation	31,364,011
Number of Deferred Shares in issue immediately following the Capital Reorganisation	8,239,281,774
Number of Placing Shares	200,000,000
Maximum number of Open Offer Shares**	31,364,011
Maximum number of New Ordinary Shares in issue immediately following the Placing and Open Offer**	262,728,022
Maximum percentage of Enlarged Share Capital represented by the Placing Shares and the Open Offer Shares**	88.1 per cent.
Closing Price per Existing Ordinary Share***	0.0155p
Issue Price	1.5p
Maximum amount, before expenses, to be raised under the Placing and Open Offer	£3,470,460
Market capitalisation of the Company at the Issue Price upon Admission	£3,940,920
AIM Symbol for New Ordinary Shares	ORE
ISIN for New Ordinary Shares	GB00BYXD4566

\* Excluding the 80 Existing Ordinary Shares to be issued to the Company Secretary as further described in paragraph 3 of Part I of this document.

\*\* On the assumption that the Open Offer is taken up in full by shareholders.

\*\*\* The middle market price on AIM at close of business on 20 March 2017, being the latest practicable date prior to the publication of this document.

## DIRECTORS, PROPOSED DIRECTORS, OFFICERS AND ADVISERS

<b>Directors:</b>	Adam Reynolds, <i>Non-Executive Chairman</i> Colin Bird, <i>Chief Executive Officer</i> Edward Slowey, <i>Operations Director</i> Alan Mooney, <i>Finance Director</i> Michael Nolan, <i>Non-Executive Director</i>
<b>Proposed Directors:</b>	Steven Metcalfe Mark Collingbourne
<b>Company Secretary:</b>	Ross Crockett
<b>Registered Office:</b>	Finsgate 5-7 Cranwood Street London EC1V 9EE
<b>Website:</b>	<a href="http://www.rogengold.com">www.rogengold.com</a>
<b>Nominated Adviser:</b>	Cairn Financial Advisers LLP Cheyne House Crown Court 62-63 Cheapside London EC2V 6AX
<b>Placing Agent:</b>	Turner Pope Investments (TPI) Ltd 1st Floor 5 Old Bailey London EC4M 7BA
<b>Broker:</b>	Beaufort Securities Limited 63 St Mary Axe London EC3A 8AA
<b>Lawyers to the Company:</b>	BPE Solicitors LLP St. James' House St. James' Square Cheltenham GL50 3PR
<b>Lawyers to Cairn and Turner Pope:</b>	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
<b>Registrar and Receiving Agent:</b>	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

## DEFINITIONS

<b>“Act”</b>	the Companies Act 2006 (as amended);
<b>“Admission”</b>	the effective admission of the New Ordinary Shares to trading on AIM, in accordance with Rule 6 of the AIM Rules;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM Rules for Companies;
<b>“Applicant”</b>	a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form or submits a valid USE instruction in CREST in connection with the Open Offer;
<b>“Application Form”</b>	the application form enclosed with this document for use by Qualifying Non-CREST Shareholders in connection with the Open Offer;
<b>“Articles”</b>	the articles of association of the Company for the time being;
<b>“Cairn”</b>	Cairn Financial Advisers LLP, the Company’s Nominated Adviser;
<b>“Capita Asset Services” or “Registrars”</b>	Capita Asset Services, a trading division of Capita Registrars Limited, the Company’s registrar and receiving agent;
<b>“Capital Reorganisation”</b>	the capital reorganisation of the Company as detailed in Part I of this document pursuant to which every 250 Existing Ordinary Shares will be consolidated into one Intermediate Ordinary Share and subsequently sub-divided into one New Ordinary Share and 249 New Deferred Shares;
<b>“Company” or “Orogen”</b>	Orogen Gold plc;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear;
<b>“CREST Manual”</b>	the CREST Manual referred to in agreements entered into by Euroclear and available at <a href="http://www.euroclear.com">www.euroclear.com</a> ;
<b>“CREST member”</b>	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations);
<b>“CREST member account ID”</b>	the identification code or number attached to a member account in CREST;
<b>“CREST participant”</b>	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations);
<b>“CREST participant ID”</b>	shall have the meaning given in the CREST Manual;
<b>“CREST payment”</b>	shall have the meaning given in the CREST Manual;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>“CREST sponsored member”</b>	a CREST member admitted to CREST as a sponsored member;

<b>“Deferred Shares”</b>	the Existing Deferred Shares and the New Deferred Shares;
<b>“Directors” or “Board”</b>	the directors of the Company at the date of this document whose names are set out on page 6 of this document;
<b>“Enlarged Share Capital”</b>	the entire issued share capital of the Company on Admission following completion of the Proposals;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>“Ex-Entitlement Date”</b>	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer;
<b>“Existing Ordinary Shares”</b>	the existing ordinary shares of 0.01p each in the capital of the Company in issue at the date of this document;
<b>“Existing Deferred Shares”</b>	the existing deferred shares of 0.9p each in the capital of the Company;
<b>“Form of Proxy”</b>	the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting;
<b>“FCA”</b>	the Financial Conduct Authority;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“General Meeting”</b>	the general meeting of the Company convened for 11.00 a.m. on 7 April 2017 and any adjournment thereof, notice of which is set out at the end of this document;
<b>“g/t”</b>	grams per tonne;
<b>“Intermediate Ordinary Shares”</b>	the new ordinary shares of 2.5p each in the capital of the Company arising on completion of the Share Consolidation and prior to the Sub-division;
<b>“Issue Price”</b>	1.5p per Placing Share and per Open Offer Share;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Member Account ID”</b>	the identification code or number attached to any member account in CREST;
<b>“Mutsk Project”</b>	the Company’s gold exploration project in Mutsk, Armenia;
<b>“New Articles”</b>	the existing articles of association of the Company as amended pursuant to the Resolutions;
<b>“New Deferred Shares”</b>	new B deferred shares of 0.01p each in the capital of the Company created as part of the Capital Reorganisation;
<b>“New Ordinary Shares”</b>	the ordinary shares of 0.01p each in the capital of the Company arising on completion of the Capital Reorganisation, together with the Placing Shares and the Open Offer Shares;
<b>“New Share Scheme”</b>	the new share option scheme described in Part I of this document;
<b>“Official List”</b>	the Official List of the United Kingdom Listing Authority;



<b>“Open Offer”</b>	the conditional offer to Qualifying Shareholders, constituting an invitation to apply for Open Offer Shares on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Application Form;
<b>“Open Offer Entitlement”</b>	the entitlement to apply for Open Offer Shares pursuant to the Open Offer;
<b>“Open Offer Shares”</b>	the 31,364,011 New Ordinary Shares which are the subject of the Open Offer;
<b>“Overseas Shareholders”</b>	shareholders who are resident in or a citizen or national of any country outside the United Kingdom;
<b>“Placees”</b>	the subscribers for Placing Shares pursuant to the Placing;
<b>“Placing”</b>	the proposed conditional placing by Turner Pope on behalf of the Company of the Placing Shares at the Issue Price;
<b>“Placing and Open Offer Agreement”</b>	the conditional placing and open offer agreement dated 20 March 2017 between (1) the Company; (2) the Directors and the Proposed Directors; (3) Turner Pope; and (4) Cairn relating to the Placing and Open Offer;
<b>“Placing Shares”</b>	the 200,000,000 New Ordinary Shares which have been conditionally placed by Turner Pope;
<b>“Proposals”</b>	the proposed Capital Reorganisation, the Placing, the Open Offer and the change of name of the Company as set out in this document;
<b>“Proposed Directors”</b>	Steven Metcalfe and Mark Collingbourne;
<b>“Prospectus Rules”</b>	the Prospectus Rules made in accordance with EU Prospective Directive 2003/71/EC published by the FCA pursuant to Part VI of FSMA;
<b>“Projects”</b>	the Mutsk Project and the Silverton Project;
<b>“Qualifying CREST Shareholders”</b>	Qualifying Shareholders holding Existing Ordinary Shares in a CREST account;
<b>“Qualifying Non-CREST Shareholders”</b>	Qualifying Shareholders holding Existing Ordinary Shares in certificated form;
<b>“Qualifying Shareholders”</b>	shareholders whose Existing Ordinary Shares are on the register of members of the Company at the close of business on the Record Date with the exclusion (subject to exemptions) of persons with a registered address or located or resident in any of the Restricted Jurisdictions;
<b>“Receiving Agent”</b>	Capita Asset Services;
<b>“Record Date”</b>	close of business on 17 March 2017;
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, the full text of which is set out in the notice of General Meeting set out at the end of this document;

<b>“Restricted Jurisdiction”</b>	each and any of Australia, Canada, Japan, United States, the Republic of South Africa and New Zealand and any other jurisdiction where the extension or availability of the Placing and Open Offer would breach applicable law;
<b>“Securities Act”</b>	the US Securities Act of 1933 (as amended);
<b>“Shareholders”</b>	holders of Existing Ordinary Shares, and the term “Shareholder” shall be construed accordingly;
<b>“Share Consolidation”</b>	the consolidation of every 250 Existing Ordinary Shares into one Intermediate Ordinary Share;
<b>“Silverton Project”</b>	the Company’s gold exploration project in Silverton, Nevada;
<b>“Sub-division”</b>	the sub-division of each Intermediate Ordinary Share into one New Ordinary Share and 249 New Deferred Shares;
<b>“Turner Pope”</b>	Turner Pope Investments (TPI) Ltd; and
<b>“USE”</b>	unmatched stock event.

## PART I

### LETTER FROM THE CHAIRMAN

# Orogen Gold plc

*(Incorporated in England and Wales with registered number 05379931)*

*Directors:*

Adam Reynolds, *Non-Executive Chairman*  
Colin Bird, *Chief Executive Officer*  
Edward Slowey, *Operations Director*  
Alan Mooney, *Finance Director*  
Michael Nolan, *Non-Executive Director*

*Registered Office:*

Finsgate  
5-7 Cranwood Street  
London  
EC1V 9EE

*To Shareholders*

21 March 2017

Dear Shareholder,

**New Strategy and Change of Name**  
**Proposed Capital Reorganisation**  
**Placing of 200,000,000 New Ordinary Shares at 1.5p per share**  
**Open Offer of up to 31,364,011 New Ordinary Shares at 1.5p per share**  
**Appointment of Proposed Directors**  
**and**  
**Notice of General Meeting**

## 1. Introduction

On 21 March 2017, Orogen announced details of a proposed new strategy and consequent restructuring of its operations. The Board has completed a review of its operations and has concluded that it is no longer in Shareholders' interests for the Company to continue to provide financial support for its mineral exploration activities. The Board is therefore proposing to dispose of the Company's mineral exploration interests and change the Company's business strategy.

As an initial step in the above restructuring, the Company is proposing to undertake a share consolidation and sub-division in order to increase the price at which the Company's shares trade on AIM (although it should be noted that this does not in itself change the value of the shares) and to enable the Company to raise funds through the issue of new shares.

To provide the Company with the capital resources to seek to enter into a binding agreement for a reverse takeover and provide the Company with working capital, the Company is also pleased to announce a conditional placing of 200,000,000 New Ordinary Shares at 1.5p per New Ordinary Share to raise £3.0 million before expenses.

In order to provide Shareholders with an opportunity to participate in the proposed issue of New Ordinary Shares on the same terms as the Placing, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for Open Offer Shares at the Issue Price on the basis of one Open Offer Share for every 250 Existing Ordinary Shares held (equivalent to one New Ordinary Share held on completion of the Capital Reorganisation). If the Open Offer is fully subscribed, the Company will issue 31,364,011 New Ordinary Shares pursuant to the Open Offer to raise an additional £470,460 before expenses.

The Open Offer provides Qualifying Shareholders with an opportunity to participate in the proposed issue of the Open Offer Shares whilst providing the Company with additional working capital.

The Issue Price of the Placing Shares and the Open Offer Shares is equivalent to 0.006p per Existing Ordinary Share, which represents a discount of 61.3 per cent. to the closing price of 0.0155p per Existing Ordinary Share on 20 March 2017 (being the latest practicable date before the announcement of the Proposals).

The Placing and the Open Offer are conditional upon, amongst other things, the passing of all of the Resolutions at the General Meeting and Admission. If the Resolutions are passed, the Placing Shares and the Open Offer Shares will be allotted immediately after the General Meeting and Admission is expected to occur at 8.00 a.m. on 10 April 2017. The Placing and Open Offer are not underwritten.

The purpose of this letter is to provide you with further information on the Capital Reorganisation, the Placing, the Open Offer and to set out the reasons for the change of strategy and why your Board believes that the Proposals are in the best interests of the Company and its Shareholders and to seek your approval to the Resolutions at the forthcoming General Meeting. A notice convening a General Meeting to consider the Resolutions required to give effect to the Proposals is set out at the end of this document. The General Meeting will be held at 11.00 a.m. on 7 April 2017.

## **2. Reasons for, and consequences of, the change of strategy**

The Board has reviewed the recent drilling results for both Projects. The drilling results at the Silverton Project were disappointing. A low grade zone has been encountered on the Silverton fault zone, but there is no sign of gold enhancement at depth. The Board does not consider that these results provide a strong case for further drilling.

While the 2016 drilling results at the Mutsk Project were encouraging in that they extended the gold deposit footprint, an independent study of the deposit has concluded that the current resource lies well below the target of 1,000,000 ounces of gold for the project. The Board believes that there is scope to add to the resource through additional exploration and infill drilling, albeit that the overall gold grade of circa one g/t is low and will therefore require significant additional tonnage to move the project forward to a commercial mine. As the Company has limited capital resources, and the Board does not consider that the Company will be able to raise the relatively significant level of new funds on acceptable terms to finance the further exploration of the Mutsk Project that is needed to delineate the target orebody, it has been decided that a sale or joint venture of this project to a larger and more financially robust entity gives the project the opportunity to move forward and gives the Company some expectation of recovering part of its investment in the Mutsk Project.

The Board has therefore concluded that it is no longer in Shareholders' interests, in the current market conditions, to continue to provide further finance for its mineral exploration activities, and it is therefore seeking to dispose of its interests in its mineral exploration projects, and to conclude an acquisition which would constitute a reverse takeover under the AIM Rules. The Company has decided to cap further expenditure on its existing mineral exploration projects at £75,000 and to put them on care and maintenance programmes whilst buyers are sought for the Company's interests in these assets.

The Company is not currently in discussions with any third party in respect of the disposal of the Projects and therefore there can be no guarantee that the Company will be able to find a buyer(s) for, or to complete the sale of, any of its Projects.

The decision to cease the Company's mineral exploration activities represents a fundamental change of business under Rule 15 of the AIM Rules. If the Resolutions required to give effect to the Proposals are approved by Shareholders at the General Meeting, the Company will become an AIM Rule 15 cash shell, which means that the Company must make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of the General Meeting, otherwise the trading of the Company's shares on AIM will be suspended. If the Company has not made an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of such suspension, the admission of the Company's shares to trading on AIM will be cancelled.

The Company is currently reviewing a number of possible acquisition targets in a range of sectors but all of these are at a very early stage and no discussions have been entered into with any sellers of such targets. There is no guarantee that the Company will complete the acquisition of any such targets.

In the event that the Company does enter into a legally binding contract to acquire any such target then such acquisition will be considered to be a reverse takeover under Rule 14 of the AIM Rules. The Company will be required to publish a new admission document, which will be sent to Shareholders and will include details of the target and the terms of the acquisition. The acquisition will then be subject to the approval of Shareholders at a general meeting.

In order to reflect the change in the Company's strategy, the Board is proposing to change the name of the Company to Orogen plc. Shareholder approval is needed in order to effect the change of name. Resolution 5 seeks such approval.

### **3. Capital Reorganisation**

The Board is seeking Shareholder approval to reorganise the Company's share capital as the Existing Ordinary Shares trade in fractions of a penny on AIM. This situation restricts the ability of the Board to issue new ordinary shares as English company law prohibits a company from issuing a share at a price that is less than its par value. The Company is therefore proposing the Capital Reorganisation under which it will consolidate every 250 Existing Ordinary Shares (having a par value of 0.01p) into one Intermediate Ordinary Share (having a par value of 2.5p), and then divide each Intermediate Ordinary Share into one New Ordinary Share (having a par value of 0.01p) and 249 New Deferred Shares (each having a par value of 0.01p).

Shareholder approval is needed in order to effect the Capital Reorganisation. The Resolution to approve the Share Consolidation and Sub-division (being Resolution 1) must be passed by an ordinary resolution of Shareholders if the Capital Reorganisation is to be effective.

The New Deferred Shares (having a par value of 0.01p) will be in addition to the existing class of Existing Deferred Shares, of which there are 429,643,035 in issue.

The Articles will be required to be amended in order to facilitate the Share Consolidation and Sub-division. Resolution 3(b) sets out the proposed changes to the Articles.

#### *Rights of the New Ordinary Shares and the New Deferred Shares*

The New Ordinary Shares will have the same rights and be subject to the same restrictions as the Existing Ordinary Shares from which they will be derived. Following the Capital Reorganisation, each Shareholder will hold one New Ordinary Share for every 250 Existing Ordinary Shares held by him immediately before the Capital Reorganisation. The Capital Reorganisation will allow the Company to issue New Ordinary Shares, assuming that the share price of the Company does not fall below the 0.01p par value.

Like the Existing Deferred Shares (all of which will remain in issue), the New Deferred Shares will have no income or voting rights. The only right attaching to a New Deferred Share will be to receive the amount paid up on that New Deferred Share (i.e. 0.01p) on a winding-up of the Company once the holders of New Ordinary Shares have received the amount paid up on each of the New Ordinary Shares (i.e. 0.01p) plus a sum of £10,000,000 per New Ordinary Share and the holders of Existing Deferred Shares have received the amount paid up on each of the Existing Deferred Shares (i.e. 0.9p). Save for this and their par values, the New Deferred Shares will be identical to the Existing Deferred Shares.

Like the Existing Deferred Shares, the New Deferred Shares will not be admitted to trading on AIM, will have only very limited rights on a return of capital and will be effectively valueless and non-transferable. The Directors consider that the New Deferred Shares will have no effect on the respective economic interests of Shareholders.

Immediately following the Capital Reorganisation, the issued share capital of the Company will be 31,364,011 New Ordinary Shares, 429,643,035 Existing Deferred Shares and 7,809,638,739 New Deferred Shares.

### *Fractions*

No Shareholder will be entitled to a fraction of an Intermediate Ordinary Share and where, as a result of the Share Consolidation, any Shareholder would otherwise be entitled to a fraction only of an Intermediate Ordinary Share in respect of their holding of Existing Ordinary Shares on the date of the General Meeting (a "Fractional Shareholder"), such fractions will, in so far as possible, be aggregated with the fractions of Intermediate Ordinary Shares to which other Fractional Shareholders of the Company would be entitled so as to form whole New Ordinary Shares ("Fractional Entitlement Shares").

These Fractional Entitlement Shares will be aggregated and sold in the market and the net proceeds of the sale attributable to each Fractional Shareholder shall be retained by the Company for the benefit of all Shareholders.

In order to ensure that the total number of Existing Ordinary Shares is exactly divisible in accordance with the consolidation ratio the Company will issue 80 Existing Ordinary Shares to the Company Secretary.

The provisions set out above mean that any such Fractional Shareholders will not have a resultant proportionate shareholding of New Ordinary Shares exactly equal to their proportionate holding of Existing Ordinary Shares. Shareholders with only a fractional entitlement to a New Ordinary Share (i.e. those Shareholders holding a total of fewer than 250 Existing Ordinary Shares at the record date for the Capital Reorganisation) will cease to be a Shareholder of the Company. Accordingly, Shareholders currently holding fewer than 250 Existing Ordinary Shares who wish to remain a Shareholder of the Company following the Share Consolidation would need to increase their shareholding to at least 250 Existing Ordinary Shares prior to the record date for the Capital Reorganisation. Shareholders in this position are encouraged to obtain independent financial advice before taking any action.

Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their entitlement to New Ordinary Shares.

### *Admission of, and dealings in, the New Ordinary Shares*

Application will be made for the New Ordinary Shares to be admitted to trading on AIM and, assuming that all of the Resolutions are passed by Shareholders, dealings in the Existing Ordinary Shares are expected to cease at the close of business on Friday 7 April 2017 and dealings in the New Ordinary Shares are expected to commence at 8.00 a.m. on Monday 10 April 2017.

### *UK tax*

Based on current UK tax legislation, the Capital Reorganisation should not be treated as a disposal for the purposes of UK capital gains tax. The Capital Reorganisation should also not be treated as giving rise to any distribution for income tax purposes. After the Capital Reorganisation, the base cost of Existing Ordinary Shares for the purposes of UK capital gains tax should be apportioned between the resulting New Ordinary Shares. **If you are in any doubt as to your personal tax status or the effect for tax purposes of the Proposals, you should consult your own professional adviser.**

### *Share certificates*

The New Ordinary Shares will be in registered form and may be held in certificated or uncertificated form. Following Admission becoming effective, share certificates in respect of the Existing Ordinary Shares will cease to be valid and will be cancelled. New certificates in respect of New Ordinary Shares will be issued to those Shareholders who hold their Existing Ordinary Shares in certificated form and are expected to be dispatched, at the risk of Shareholders, during the week commencing 17 April 2017. Share certificates in respect of Existing Ordinary Shares should be destroyed upon receipt of new certificates. No temporary documents of title will be issued. Transfers of New Ordinary Shares after 7 April 2017, but before the dispatch of new certificates, will be certified against the register of members of the Company. CREST accounts are expected to be credited with New Ordinary Shares on 10 April 2017.

#### 4. The Placing

##### *The Placing*

The Company has conditionally raised £3.0 million (before expenses) by means of a placing of 200,000,000 Placing Shares, which are not subject to clawback, at the Issue Price of 1.5p per Placing Share for the benefit of the Company. The Issue Price is equivalent to 0.006p per Existing Ordinary Share, which represents a discount of 61.3 per cent. to the closing price of 0.0155p per Existing Ordinary Share on 20 March 2017 (being the latest practicable date before the announcement of the Proposals).

The Placing is conditional, *inter alia*, upon:

- the Placing and Open Offer Agreement becoming unconditional in all respects;
- the passing (without amendment) of the Resolutions at the General Meeting; and
- admission of the Placing Shares to trading on AIM becoming effective on or before 8.00 a.m. on 10 April 2017 (or such later date and/or time as the Company, Cairn and Turner Pope may agree, being no later than 5.00 p.m. on 21 April 2017).

##### *The Placing and Open Offer Agreement*

Pursuant to the terms of the Placing and Open Offer Agreement, Turner Pope has conditionally agreed to use its reasonable endeavours, as agent for the Company, to procure subscribers for the Placing Shares. The Placing and Open Offer Agreement is conditional upon, *inter alia*, the Resolutions being duly passed without amendment at the General Meeting and Admission becoming effective by no later than 8.00 a.m. on 10 April 2017 (or such later date as the Company, Cairn and Turner Pope may agree, being in any event not later than 5.00 p.m. on 21 April 2017).

The Placing and Open Offer Agreement contains warranties from the Company in favour of Cairn and Turner Pope in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Cairn and Turner Pope in relation to certain liabilities it may incur in respect of the Placing. Cairn and Turner Pope each has the right to terminate the Placing and Open Offer Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties given to them in the Placing and Open Offer Agreement, the failure of the Company to comply with its obligations under the Placing and Open Offer Agreement or an adverse change affecting, *inter alia*, the condition, earnings, business or prospects of the Company, whether or not foreseeable at the date of the Placing and Open Offer Agreement.

##### *Settlement and dealings*

The Placing Shares, when issued and fully paid, will rank equally in all respects with the New Ordinary Shares arising pursuant to the Capital Reorganisation and the Open Offer Shares, including the right to receive all dividends and other distributions declared, made or paid after Admission.

It is expected that Admission will become effective and dealings in the Placing Shares will commence on 10 April 2017.

The Company is seeking Shareholder approval for Resolution 3(a) which revokes any limit which may exist on the amount of the Company's authorised share capital.

## 5. Directors' participation in the Placing and the Open Offer

Adam Reynolds, Michael Nolan, Alan Mooney and Colin Bird, Directors of the Company and Steven Metcalfe and Mark Collingbourne, the Proposed Directors, have each conditionally agreed to subscribe for Placing Shares and to apply for Open Offer Shares. Further details of their participation are set out below:

<i>Director or Proposed Director</i>	<i>Number of Existing Ordinary Shares held</i>	<i>Number of New Ordinary Shares held on completion of the Capital Reorganisation</i>	<i>Number of Placing Shares subscribed for</i>	<i>Number of Open Offer Shares to be applied for</i>	<i>Number of New Ordinary Shares held on Admission</i>	<i>% of Enlarged Share Capital*</i>
<b>Directors</b>						
Adam Reynolds	87,040,580	348,162	5,666,667	348,162	6,362,991	2.42%
Michael Nolan	135,110,907	540,443	2,666,667	540,443	3,747,553	1.43%
Edward Slowey	165,896,071	663,584	–	663,584	1,327,168	0.51%
Alan Mooney	129,610,907	518,443	2,666,667	518,443	3,703,553	1.41%
Colin Bird	100,000,000	400,000	1,333,333	400,000	2,133,333	0.81%
<b>Proposed Directors</b>						
Steven Metcalfe	–	–	5,666,667	–	5,666,667	2.16%
Mark Collingbourne	–	–	2,666,667	–	2,666,667	1.01%

\*Assuming the Open Offer is taken up in full.

The conditional agreements entered into by the Directors to subscribe for Placing Shares are classified as related party transactions for the purposes of the AIM Rules. The Independent Director, Edward Slowey, considers, having consulted with the Company's nominated adviser, Cairn, that the terms of the Directors' participation in the Placing are fair and reasonable insofar as Shareholders are concerned.

## 6. Open Offer

In order to provide Qualifying Shareholders with an opportunity to subscribe for New Ordinary Shares at the Issue Price, the Company is proposing to raise up to £470,460 (before expenses) pursuant to the Open Offer. The proposed issue price of 1.5p per Open Offer Share is the same price as the Issue Price at which Placing Shares are being issued pursuant to the Placing. The Open Offer provides Qualifying Shareholders with an opportunity to participate in the Open Offer by subscribing for their respective Open Offer Entitlements.

The Open Offer is conditional, *inter alia*, upon:

- (i) the passing (without amendment) of the Resolutions at the General Meeting;
- (ii) admission of the Open Offer Shares to trading on AIM becoming effective on or before 8.00 a.m. on 10 April 2017 (or such later date and/or time as the Company may decide, being no later than 5.00 p.m. on 21 April 2017).

It is expected that Admission will become effective and dealings in the Open Offer Shares will commence on 10 April 2017. In the event that the Open Offer does not become unconditional by 8.00 a.m. on 10 April 2017 (or such later time and date as the Company may decide, being no later than 5.00 p.m. on 21 April 2017), the Open Offer will lapse and application monies will be returned by post to the Applicant(s) at the Applicant's risk and without interest, to the address set out in the Application Form, within 14 days thereafter.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the New Ordinary Shares arising pursuant to the Capital Reorganisation and the Placing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

The estimated proceeds of the Open Offer assuming it is subscribed in full are anticipated to be £470,460 (before expenses).

The terms and conditions of the Open Offer are set out in Part IV of this document.



### *Open Offer Entitlement*

Subject to the fulfilment of the conditions set out below and in Part IV of this document, Qualifying Shareholders are being given the opportunity to subscribe for Open Offer Shares under the Open Offer at the Issue Price, payable in full on application and free of all expenses, pro rata to their existing shareholdings on the following basis:

#### **One Open Offer Share for every 250 Existing Ordinary Shares**

held by Qualifying Shareholders and registered in their name at the Record Date (equivalent to one Open Offer Share for every one New Ordinary Share held immediately after the Capital Reorganisation).

**The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that under the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.**

The number of Open Offer Shares offered to Shareholders under the Open Offer will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will not be allocated and will be disregarded.

Application has been made for the Open Offer Entitlements of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements will be admitted to CREST on 22 March 2017. The Open Offer Entitlements will also be enabled for settlement in CREST on 22 March 2017 to satisfy *bona fide* market claims only. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Non-CREST Shareholders will receive an Application Form which sets out their maximum entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them.

If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued and any outstanding Open Offer Entitlements will lapse.

The Open Offer is restricted to Qualifying Shareholders in order to enable the Company to benefit from exemptions from securities law requirements in certain jurisdictions outside the United Kingdom.

### *Action to be taken in respect of the Open Offer*

If you are a Qualifying Non-CREST Shareholder you will be sent an Application Form which gives details of your Open Offer Entitlement (i.e. the number of Open Offer Shares available to you). If you wish to apply for Open Offer Shares under the Open Offer, you should complete the Application Form in accordance with the procedure set out at paragraph 3(i) of Part IV of this document and on the Application Form itself and post it, or return it by hand (during normal business hours only), together with payment in full in respect of the number of Open Offer Shares applied for, to Capita Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham, BR3 4TU so as to arrive as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 6 April 2017.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. As a Qualifying CREST Shareholder you will receive a credit to your appropriate stock account in CREST in respect of your Open Offer Entitlement. You should refer to the procedure set out at paragraph 3(ii) of Part IV of this document.

The latest time for applications to be received under the Open Offer is 11.00 a.m. on 6 April 2017. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Open Offer Entitlement or your Open Offer Entitlement has been credited to your stock account in CREST. The procedures for application and payment are set out in Part IV of this document. Further details also appear on the Application Form which has been

sent to Qualifying Non-CREST Shareholders. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

If you are in any doubt as to the procedure for acceptance, please contact Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

**If you are in any doubt as to the contents of this document and/or the action you should take, you are recommended to seek your own personal financial advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the UK or, if you are outside the UK, from an appropriately authorised independent financial adviser, without delay.**

## **7. Board Changes**

Immediately following the General Meeting, it is intended that Colin Bird, Edward Slowey, Michael Nolan and Alan Mooney will step down from the Board and that Steven Metcalfe and Mark Collingbourne will be appointed as non-executive directors of the Company with immediate effect, subject to the necessary regulatory approvals.

### **Steven Metcalfe** (aged 47) *Non-Executive Director*

Steven is a former stockbroker with more than 28 years' experience in the financial industry. In 2005, as Head of UK Equities at Hichens Harrison, he was involved in the management buyout and then subsequent sale to Religare Capital Markets. For the last seven years, he has been involved with institutions, hedge funds and high net worth individuals within the regulated arena. Since leaving Investment Banking in mid-2016, he is now using his substantial background and history within the financial and corporate world and has set up a consultancy business that advises SMEs on finance, strategy and growth within their chosen area.

### **Mark Collingbourne** (aged 51) *Non-Executive Director*

Mark is a qualified accountant with significant experience in financial management, particularly in the area of publicly quoted companies. He has dealt with all aspects of PLC development from bringing small companies to flotation to supervising the on-going accountancy and ensuring the good governance of international businesses.

During his ten year tenure with ViaLogy plc (now Premaitha Health plc), Mark was a key member of the team that arranged its transformation from a private US organisation to an AIM company, via a merger with Original Investments PLC. He also played a major part in arranging the financial details of ViaLogy's restructuring.

Previously, after periods with ITV Network Centre and Mechanical Copyright Protection Society Limited, Mark was appointed Finance Director of Curtis Brown Group Limited, one of the UK's leading literary agencies, in 1996, where he managed the financial implications of the management buyout in 2001.

Mark is currently Finance Director of React Group Plc and Chief Finance Officer of Optibiotix Health PLC. Mark also holds board positions on a number of small private companies.

## **8. New Share Scheme**

In the event that the Resolutions are approved at the General Meeting, the Company intends to establish a New Share Scheme for the benefit of Directors and senior management. The New Share Scheme will enable the Company to issue options to Directors and senior management. It is intended that the maximum number of options in issue at any one time under the New Share Scheme will represent no more than 10 per cent. of the Company's issued ordinary share capital.

## 9. Effect of Proposals

As at the end of February 2017, the Company's cash balances stood at £247,000. The Company therefore needs to raise additional capital to cover its running costs and provide the £75,000 earmarked for the care and maintenance programme for the Projects so that the Company can seek to recover as much as possible of its investment in the Projects.

The Placing will raise £3 million (before expenses) and the Open Offer may raise up to a further £470,460 (before expenses). The net proceeds of the Placing and Open Offer, together with any sums received from the disposal of the Projects, will put the Company on a sound financial footing to enable it to seek to negotiate a suitable acquisition which would constitute a reverse takeover under Rule 14 of the AIM Rules.

In the event that the Company does enter into a legally binding contract to acquire any such target then such acquisition will be conditional on Shareholder approval at a general meeting as well as the production and publication of a new admission document, in accordance with Rule 15 of the AIM Rules.

## 10. Resolutions

The Proposals are conditional upon, *inter alia*, the passing of the Resolutions. A notice convening the General Meeting to be held at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 11.00 a.m. on 7 April 2017 is set out at the end of this document. At the General Meeting the following Resolutions will be proposed:

- (1) an ordinary resolution to approve the Capital Reorganisation;
- (2) an ordinary resolution to authorise the Directors to allot relevant securities, *inter alia*, for the purposes of the Placing and the Open Offer;
- (3) a special resolution to alter the Company's Articles of Association to include the rights attaching to the New Deferred Shares and to remove any limit on the maximum amount of shares that may be allotted by the Company;
- (4) a special resolution to allow the Directors to issue New Ordinary Shares, *inter alia*, for the purposes of the Placing and the Open Offer for cash otherwise than on a pre-emptive basis; and
- (5) a special resolution to change the name of the Company to Orogen plc.

Shareholders should note that the Resolutions are interconditional. This means that if any one of the Resolutions is not approved, the other Resolutions will also not be passed and the Proposals will not complete.

## 11. Action to be taken by Shareholders

You will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. You are entitled to appoint one or more proxies to attend and vote at the General Meeting on your behalf.

Whether or not you propose to attend the General Meeting in person, you are requested to complete and return the Form of Proxy to the Company's registrar at Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU as soon as possible and, in any event, so as to be received by no later than 11.00 a.m. on 5 April 2017.

Completion and return of a Form of Proxy will not preclude you from attending the General Meeting and voting in person should you so wish.

Action to be taken in respect of the Open Offer is set out in paragraph 6 above and also in Part IV of this document. If you are a Qualifying Non-CREST Shareholder, an Application Form will be posted for completion by Qualifying Non-CREST Shareholders who wish to participate in the Open Offer. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. As a Qualifying CREST Shareholder you will receive a credit to your appropriate stock account in CREST in respect of your Open Offer Entitlement. You should refer to the procedure set out at paragraph 3(ii) of Part IV of this document.

## **12. Recommendation**

The Directors unanimously believe that the Proposals are in the best interests of the Company and its Shareholders as a whole and recommend Shareholders to vote in favour of the Resolutions, as they intend to do in respect of their own beneficial holdings of 617,658,465 Existing Ordinary Shares, equivalent to approximately 7.88 per cent. of the current issued share capital of the Company.

Yours faithfully

**Adam Reynolds**

*Non-Executive Chairman*

## **PART II**

### **RISK FACTORS**

An investment in the Placing Shares or the Open Offer Shares may not be suitable for all recipients of this document and involves a number of risks. All the information set out in this document and, in particular, those risks relating to the Placing and the Open Offer described below, should be carefully considered prior to making any investment decision. Accordingly, you are strongly recommended to consult an investment adviser authorised under the FSMA, who specialises in the acquisition of shares and other securities before making a decision to invest. In addition to all the other information contained in this document, potential investors should carefully consider the following risk factors which the Directors and Proposed Directors consider to be all the known material risks in respect of the business of the Company and its securities, but are not set out in any particular order of priority.

If any of the circumstances identified in the risk factors were to materialise, the Company's business, financial condition and operating results could be materially affected. In particular, the Company's performance is likely to be affected by changes to the market and/or economic conditions and legal, accounting, regulatory and tax requirements currently unknown by the Company. Investors should note that the trading price of the New Ordinary Shares could decline due to any of these risks and investors may lose all or part of their investment.

Additional risks which are not presently known to the Board, or that the Board currently deems to be immaterial, may also have an effect on the Company's business, financial condition and operating results.

#### **1. Risks relating to the Company and its business**

##### **1.1 *Dependence on key personnel***

The Company's future success is substantially dependent on the continued services and continuing contributions of the Company's board and senior management. The loss of the services of any of these individuals could have a material adverse effect on the Company's business.

In addition, there is a risk that the Company will not be able to recruit executives of sufficient expertise or experience to maximise any opportunities that present themselves, or that recruiting and retaining those executives is more costly or takes longer than expected. The failure to attract and retain those individuals may adversely affect the Company's operations.

##### **1.2 *Ability to complete acquisitions***

The Company's future success is largely dependent upon its ability to identify and execute a successful acquisition or acquisitions which constitutes a reverse takeover under Rule 14 of the AIM Rules. As at the date of this document, whilst the Directors and Proposed Directors have identified a number of potential acquisition opportunities that might be suitable for further consideration, the Directors and Proposed Directors have not carried out any due diligence on any acquisition opportunities or entered into any discussions or agreements in relation to any opportunity. There can be no assurance that the Company will be able to identify opportunities that are suitable or conclude agreements with any target business in the future. In addition, the Company may face competition for acquisitions from other organisations which may be larger and/or better funded.

The Company cannot accurately predict how long it will take to deploy the capital available to it, if at all. Precise timings will depend on, among other things, the availability of suitable acquisitions, due diligence, negotiations with counterparties and investment structuring considerations.

##### **1.3 *Ability to sell the Projects***

Under its new strategy, the Company will seek to execute a successful sale of both of the Projects. As at the date of this document, whilst the Directors and Proposed Directors have identified a number of potential purchasers of the Projects, the Directors and Proposed Directors have not entered into any detailed discussions or negotiations or agreements in relation to any such sales. There can be no assurance that the Company will be able to identify suitable purchasers or conclude agreements with them.

#### **1.4 *Success of the Company's acquisition(s) not guaranteed***

Returns achieved are reliant upon the performance of the assets of the Company and those assets that the Company acquires in accordance with its strategy. The success of the strategy depends on the Directors' and Proposed Directors' ability to identify acquisitions in accordance with the Company's strategic objectives, successfully conclude negotiations to acquire such companies identified and successfully integrate such acquisitions.

No assurance is given that the strategy will be successful under all or any market conditions or that the Company will be able to identify acquisition opportunities meeting the Company's criteria or that the Company will be able to invest its capital on attractive terms and generate returns for investors.

#### **1.5 *Market conditions***

Market conditions may have a negative impact on the Company's ability to execute its strategy and any such acquisitions made may not generate acceptable returns. There is no guarantee that the Company will be successful in sourcing suitable acquisitions. Until such time as all of the net proceeds of the Placing and Open Offer are applied by the Company to fund acquisitions, the unapplied portion of the net proceeds will be placed in bank deposits or in capital guaranteed schemes offered by major global financial institutions in anticipation of future investment and to meet the running costs of the Company. Such deposits may achieve lower returns than the expected returns from an investment. The Company can give no assurance as to how long it will take it to invest any or all of the net proceeds of the Placing and Open Offer, if at all, and the longer the period the greater the likely impact on the Company's performance, financial condition and business prospects.

#### **1.6 *Early stage developments***

The Company may acquire companies and or assets at a relatively early stage of their development. There can be no assurances that such companies or assets will successfully develop or that the resources they have will be suitable for their requirements. Such entities and assets may require the injection of further capital at a level which the Company or any third party may consider that it is unable to meet.

#### **1.7 *Investments in private companies are subject to a number of risks***

The Company may invest in or acquire privately held companies or assets. These may: (a) be highly leveraged and subject to significant debt service obligations, stringent operational and financial covenants and risk of default under financing and contractual arrangements which may adversely affect their financial condition; (b) have limited operational histories and smaller market share than larger businesses making them more vulnerable to changes in market conditions or the activities of competitors; (c) have limited financial resources; (d) be more dependent on a limited number of management and operational personnel, increasing the impact of the loss of any one or more individuals; (e) have limited public information available; (f) have less predictable operating results; and (g) require additional capital. Each of these factors may have a material adverse effect on the value or prospects of an acquisition and, as a consequence, the Company's performance, which could reduce the value of the New Ordinary Shares.

#### **1.8 *Due diligence***

The due diligence process that the Company will undertake in connection with the strategy may not reveal all facts that may be relevant in connection with a proposed acquisition. Before investing, the Company is expected to conduct due diligence on a potential acquisition, including valuation analysis in order to identify material issues which might affect an investment decision. In many cases, the Company will rely on third parties and public information to conduct any such due diligence.

The due diligence process may at times be subjective and only limited information may be available.

In addition, the Company expects that any third party due diligence, feasibility, valuation or similar analyses will be subject to a number of qualifications and may be based on assumptions that could prove to be incorrect. Accordingly, the Company cannot assure investors that the due diligence investigation that it or any third party will carry out with respect to any future development will reveal or highlight all relevant risks associated with such an acquisition. Due diligence may also be insufficient to reveal all of the past and future liabilities relating to the operations and objectives of the target. The Company may lose all or part of the

value of such acquisition, which could have a material adverse effect on the Company's financial condition and results of operations and which could reduce the value of the New Ordinary Shares.

#### **1.9 *Unsuccessful transaction costs***

There is a risk that the Company may incur substantial legal, financial and advisory expenses arising from unsuccessful transactions.

#### **1.10 *Need for additional financing and dilution***

The net proceeds of the Placing and Open Offer are likely to be insufficient to fund in full all suitable acquisitions identified by the Board. Accordingly, the Company expects to seek additional sources of financing to implement its strategy. There can be no assurance that the Company will be able to raise those funds, whether on acceptable terms or at all. If further financing is obtained by issuing equity securities or convertible debt securities, existing Shareholders may be diluted and the new securities may carry rights, privileges and preferences superior to the New Ordinary Shares.

The Company may seek debt finance to fund all or part of any future acquisition. There can be no assurance that the Company will be able to raise those debt funds, whether on acceptable terms or at all. If such funding is unavailable, the Company may be required to reduce the scope of its operations or anticipated expansion. If debt financing is obtained, the Company's ability to raise further finance and its ability to operate its business may be subject to restrictions imposed by the providers of such funding.

#### **1.11 *Gearing***

The Company may be geared through borrowings, which would typically be secured on its assets. The Company will have, and the Articles contain, no specific borrowing limits. If the costs of the Company's borrowings exceed the return on the Company's assets, the borrowings will have a negative effect on the Company's performance. If the Company cannot generate adequate cash flows to meet its debt service obligations, it may suffer a partial or total loss of its capital. In the event that the Company enters into a bank facility agreement, such agreement may contain financial covenants. In the event that any such financial covenant is breached, or if any other covenant is breached, the Company may be required to repay the borrowings in whole or in part. In such circumstances, the Company may be required to sell, in a limited time, some or all of its assets, potentially in circumstances where there has been a downturn in values in the sector generally, such that the realisation proceeds do not reflect the Company's valuation of the assets.

#### **1.12 *Future issues of New Ordinary Shares could dilute the interests of existing Shareholders and lower the price of New Ordinary Shares***

The Directors will be generally authorised to issue New Ordinary Shares in connection with the Placing and Open Offer. Except where authorised by a special resolution of the Shareholders, any issue of New Ordinary Shares for cash must be made on a pre-emptive basis. However, the Resolutions will permit the issue of the Placing Shares and the Open Offer Shares free of such pre-emptive rights for cash representing up to 88.1 per cent. of the Enlarged Share Capital. Existing Shareholders may not be offered the right or opportunity to participate in future share issues, which may dilute existing Shareholders' interests in the Company. Furthermore, the issue of additional New Ordinary Shares may be on more favourable terms than the Placing or the Open Offer.

The issue of additional New Ordinary Shares by the Company, or the possibility of such exercise, may cause the market price of the ordinary shares to decline and may make it more difficult for Shareholders to sell ordinary shares at a desirable time or price.

#### **1.13 *Rapid growth may strain the Company's managerial and operational resources and control systems***

The Company may experience substantial growth in a relatively short period of time. The operating complexity of the Company's business and the responsibilities of the Company's management may increase as a result of any potential rapid growth, placing additional demands and possibly, from time to time, strain on the Company's existing managerial, operational and control systems. The Company's inability to successfully manage the impact of rapid growth on its operational and managerial resources and control

systems could have a material adverse effect on the Company's business, financial condition and results of operations.

#### **1.14 *Currency and foreign exchange***

Fluctuations in exchange rates between currencies in which the Company operates relative to pounds sterling may cause fluctuations in its financial results, which are not necessarily related to the Company's underlying operations.

#### **1.15 *Competition***

The sectors in which the Company currently operates in, or is seeking acquisitions under its strategy, are competitive and there can be no certainty that the Company will be able to achieve the market penetration it seeks. There can be no guarantee that the Company's current competitors or new entrants to the market will not bring superior products, services or processes to the market or equivalent products, services or processes at a lower price. In either case, such competitors may have greater financial, marketing and technological resources than the Company.

### **2. Risk factors associated with the New Ordinary Shares**

#### **2.1 *It may be difficult to realise an investment on AIM. The market price of the New Ordinary Shares may fluctuate widely in response to different factors***

The Placing Shares and the Open Offer Shares will be quoted on AIM. The AIM Rules are less demanding than those of the Official List and an investment in a share that is traded on AIM may carry a higher risk than an investment in shares listed on the Official List. The share price of publicly traded companies can be highly volatile.

It may be more difficult for an investor to realise his or her investment in the Company than to realise an investment in a company whose shares or other securities are listed on the Official List or other similar stock exchange. Shares held on AIM are perceived to involve higher risks. AIM is a market designed for small and growing companies but its future success and liquidity as a market for the New Ordinary Shares cannot be guaranteed. The price at which the New Ordinary Shares are traded and the price at which investors may realise their investment are influenced by a large number of factors, some specific to the Company and its operations and some which may affect growth companies or quoted companies generally. Admission to AIM does not imply that there will be a liquid market for the New Ordinary Shares. Consequently, the price of New Ordinary Shares may be subject to fluctuation on small volumes of shares, and the New Ordinary Shares may be difficult to sell at a particular price.

#### **2.2 *Shell company status***

In the event that the Resolutions are approved by Shareholders at the General Meeting, the Company will be considered an AIM Rule 15 cash shell pursuant to the AIM Rules. As an AIM Rule 15 cash shell, the Company must make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of the General Meeting, otherwise the trading of the Company's shares on AIM will be suspended. If the Company has not made an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of such suspension, the admission of the Company's shares to trading on AIM will be cancelled.

#### **2.3 *The Company's ability to pay dividends is not certain***

As the Company currently has a significant accumulated deficit on its unaudited profit and loss account, it is unable to pay dividends or to purchase its own shares. There can be no guarantee that the Company will be able to eliminate this deficit in order to be able to pay dividends or repurchase its own shares in the future.



2.4 ***The interests of Shareholders will be diluted by the Placing and if a Qualifying Shareholder does not take up his entitlement under the Open Offer, his interest in the Company will be further diluted***

Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Placing. In addition, to the extent that Qualifying Shareholders do not take up their entitlement of Open Offer Shares, their proportionate ownership and voting interest in the Company will be further reduced.

## PART III

### SOME QUESTIONS AND ANSWERS ON THE PLACING AND OPEN OFFER

*The questions and answers set out in this Part III are intended to be in general terms only and, as such, you should read Part IV of this document for full details of what action you should take. 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, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.*

*This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.*

**The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.**

#### 1. What is a placing and an open offer?

A placing and an open offer are ways for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (an open offer) and providing for specifically identified investors also to acquire a certain number of shares at the same price (a placing). The fixed price is normally at a discount to the market price of the existing ordinary shares prior to the announcement of the placing and the open offer.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire, in aggregate, up to 31,364,011 Open Offer Shares at a price of 1.5 pence per Open Offer Share. If you hold Existing Ordinary Shares (provided you hold 250 or more such shares) on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address in, or are located in, the United States or another Restricted Jurisdiction, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of one Open Offer Shares for every 250 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlements.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should also note that the Application Form is not a negotiable document and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), and the Open Offer Entitlements will not be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

#### 2. Am I eligible to participate in the Placing?

Unless you are a Placee, you will not be eligible to participate in the Placing.

**3. I hold my Existing Ordinary Shares in certificated form. How do I know if I am able to apply to acquire Open Offer Shares under the Open Offer?**

If you have received an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Restricted Jurisdiction, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you had not sold all of your Existing Ordinary Shares on or before 8.00 a.m. on 21 March 2017 (the Ex-entitlement Date for the Open Offer).

**4. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?**

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address in and are not located in the United States or another Restricted Jurisdiction, you should have been sent an Application Form.

That Application Form shows:

- how many Existing Ordinary Shares you held at close of business on the Record Date;
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to subscribe for all your Open Offer Entitlement to the Open Offer Shares.

If you have a registered address or are located in the United States or, subject to certain exceptions, one of the Restricted Jurisdictions, you will not receive an Application Form.

If you would like to apply for any of, or all of, the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker's draft for the number of Open Offer Shares you want to apply for and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Please also see questions 5 and 11 for further help in completing the Application Form.

**5. I am a Qualifying Shareholder with a registered address in the UK and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?**

**5.1 If you want to take up all of your Open Offer Entitlement.**

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the completed Application Form, together with your cheque or banker's draft for the amount (as indicated in Box 6 of your Application Form), payable to 'Capita Registrars Limited re: Orogen Gold plc – Open Offer Account' by post, or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham, BR3 4TU to arrive by no later than 11.00 a.m. on 6 April 2017. You should allow at least four Business Days for delivery. If you do take up your Open Offer Entitlement in full, your interest in the Company will be diluted by approximately 76.1 per cent. as a result of the Placing. Full instructions are set out in Part IV of this document and in the Application Form.

**5.2 If you want to take up some but not all of your Open Offer Entitlement.**

If you want to take up some but not all of your Open Offer Entitlement, you should write the number of Open Offer Shares you want to take up in Box 2 of your Application Form; for example, if you are entitled to take up 1,000 shares but you only want to take up 500 shares, then you should write '500' in Box 2.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '500') by 1.5 pence, which is the price of each Open Offer Share (giving you an amount of £7.50 in this example). You should write this amount in Box 3, and this should be the amount your cheque or banker's draft is made out for. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to 'Capita Registrars Limited re: Orogen Gold plc – Open Offer Account' and crossed "A/C payee only", by post, or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham,

BR3 4TU to arrive by no later than 11.00 a.m. on 6 April 2017, after which time the Application Form will not be valid. You should allow at least four Business Days for delivery.

Full instructions are set out in Part IV of this document and in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you validly take up. Your definitive share certificate for such Open Offer Shares is expected to be dispatched to you during the week commencing 17 April 2017.

### **5.3 If you do not want to take up your Open Offer Entitlement**

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. The Open Offer Shares you could have taken up will not be issued by the Company to you or for your benefit. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

If you are not a Placee and you do not take up any of your Open Offer Entitlement, then following the Placing and Open Offer, your interest in the Company will be diluted by approximately 88.1 per cent.

## **6. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?**

CREST Members should follow the instructions set out in Part IV of this document. Persons who hold Existing Ordinary Shares through a CREST Member should be informed by such CREST Member of the number of Open Offer Shares they are entitled to apply for under their Open Offer Entitlement and should contact their CREST Member should they not receive this information.

## **7. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?**

If you do not receive an Application Form, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying Non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to participate in the Open Offer, namely:

- (i) Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form at the close of business on 20 March 2017 and who have converted them to certificated form;
- (ii) Qualifying Non-CREST Shareholders who bought Existing Ordinary Shares on or before 20 March 2017 but were not registered as the holders of those shares at the close of business on 20 March 2017; and
- (iii) certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## **8. If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?**

If you buy or have bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer in respect of those Existing Ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

### **9. What if I change my mind?**

If you are a Qualifying Non-CREST Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for, except in the very limited circumstances which are set out in paragraph 3 of Part IV of this document.

### **10. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?**

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

### **11. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box 6 of the Application Form?**

There is no excess facility under the Open Offer. Therefore Qualifying Shareholders are only able to apply for a maximum of their Open Offer Entitlement. Qualifying Shareholders who apply for more than their Open Offer Entitlement under the Open Offer will receive their Open Offer Entitlement together with a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

If you want to spend less than the amount set out in Box 6, you should divide the amount you want to spend by 1.5 pence (being the price, in pence, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £100 you should divide £100 by 1.5 pence. You should round that down to the nearest whole number (in this example, 6,666), to give you the number of shares you want to take up. Write that number (in this example, 6,666) in Box 2. Then to get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (in this example, 6,666) by 1.5 pence and then fill in that amount rounded down to the nearest whole penny (in this example being £99.99) in Box 3 and on your cheque or banker's draft accordingly.

### **12. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?**

If you hold Existing Ordinary Shares directly and you sold some or all of your Existing Ordinary Shares before or on 20 March 2017, you should contact the buyer or the person/ company through whom you sold your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sold any of your Existing Ordinary Shares on or after 21 March 2017, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

### **13. I hold my Existing Ordinary Shares in certificated form. How do I pay?**

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a bank or building society account in the UK in the reply-paid envelope enclosed (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. Cheques should be drawn on a sole or joint personal account of the Qualifying Shareholder who is applying for Open Offer Shares. The funds should be made payable to 'Capita Registrars Limited re: Orogen Gold plc – Open Offer Account'. In each case, the cheque should be crossed "A/C Payee only". Payments via CHAPS, BACS or electronic transfer will not be accepted. Third party cheques may not be accepted with the exception of banker's drafts or building society cheques where the bank or building society has confirmed the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the back of the draft or cheque and have added their branch stamp.

**14. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?**

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced (in addition to the reduction caused by the Placing).

**15. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?**

You should send your completed Application Form and monies by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. You should allow at least four Business Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

**16. I hold my Existing Ordinary Shares in certificated form. When do I have to decide if I want to apply for Open Offer Shares?**

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11.00 a.m. on 6 April 2017. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

**17. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?**

It is expected that the Registrars will post all Open Offer Share certificates during the week commencing 17 April 2017.

**18. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box 4 of the Application Form) is incorrect?**

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares on or before 20 March 2017 but were not registered as the holder of those shares on the Record Date for the Open Offer (17 March 2017), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired after 20 March 2017.

**19. Will the Open Offer affect dividends (if any) on the Existing Ordinary Shares?**

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

**20. What should I do if I live outside the United Kingdom?**

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or another Restricted Jurisdiction are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV of this document.

**21. How do I transfer my entitlements into the CREST system?**

If you are a Qualifying Non-CREST Shareholder, but are a CREST Member and want your Open Offer Shares to be in uncertificated form, you should complete the CREST deposit form (Box 11) on page 5 of the Application Form), and ensure they are delivered to the CREST Courier and Sorting Service to be received by 11.00 a.m. on 31 March 2017 at the latest. CREST sponsored members should arrange for their CREST

sponsors to do this. If you have transferred your rights into the CREST system, you should refer to paragraph 3 of Part IV of this document for details on how to apply and pay for Open Offer Shares.

**22. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 4 of Part IV of this document)?**

If you are a Qualifying Non-CREST Shareholder, you may not need to follow these procedures if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your Open Offer Entitlement as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution. Qualifying Non-CREST Shareholders and Qualifying CREST Shareholders should refer to paragraph 4 of Part IV of this document for a fuller description of the requirements of the Money Laundering Regulations.

## PART IV

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### 1. Introduction

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price pro rata to their existing holdings. Qualifying Shareholders will be able to apply for their Open Offer Entitlements only.

The Placing Shares are not being offered to Qualifying Shareholders and do not form part of the Open Offer.

The Issue Price of the Open Offer Shares is the same as for the Placing Shares and represents a discount of 61.3 per cent. to the closing price of 0.0155 pence per Existing Ordinary Share on 20 March 2017 (being the latest practicable date before the publication of this document).

A summary of the arrangements relating to the Open Offer is set out below. This document and, where relevant, the Application Form contains the formal terms and conditions of the Open Offer.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 6 April 2017. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Open Offer Entitlement under the Open Offer or have your Open Offer Entitlement credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are further set out below in this Part IV.

#### 2. The Open Offer

The Company hereby invites Qualifying Shareholders to apply, on and subject to the terms and conditions set out herein and in the Application Form (in respect of shares held in certificated form) and subject to the articles of association of the Company, for Open Offer Shares at the Issue Price, free from all expenses, payable in cash in full on application.

Subject to fulfilment of the conditions set out below and (in respect of Existing Ordinary Shares held in certificated form) in the Application Form, Qualifying Shareholders are being given the opportunity to subscribe for Open Offer Shares at the Issue Price payable in full on application and free of all expenses, pro rata to their existing shareholdings, on the basis of:

#### **One Open Offer Share for every 250 Existing Ordinary Shares**

held at the Record Date. Open Offer Entitlements will be rounded down to the nearest whole number of Open Offer Shares. Fractions of Open Offer Shares will not be allotted, each Qualifying Shareholder's entitlement being rounded down to the nearest whole number.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their maximum Open Offer Entitlement which, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST.

Any monies paid for applications in excess of their Open Offer Entitlements will be returned to the Applicant (at the Applicant's risk) without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have your Open Offer Entitlement credited to your stock account in CREST in respect of such entitlement.

Not all Shareholders will be Qualifying Shareholders. Overseas Shareholders who are located in, or who are citizens of, or have a registered address in certain overseas jurisdictions (including, without limitation, any Restricted Jurisdiction) will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including without limitation a custodian, nominee or trustee) who has a contractual or other



legal obligation to forward this document into a jurisdiction other than the United Kingdom is drawn to paragraph 6 of this Part IV.

If you have received an Application Form, please refer to paragraphs 3(i) and 4(i) of this Part IV.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraphs 3(ii) and 4(ii) of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission of the Open Offer Shares will become effective and that dealings for normal settlement in the Open Offer Shares on AIM will commence at 8.00 a.m. on 10 April 2017.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the Open Offer Shares; all of such shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements will be admitted to CREST as soon as possible after 8.00 a.m. on 22 March 2017. Such Open Offer Entitlements will also be enabled for settlement in CREST as soon as possible after 8.00 a.m. on 22 March 2017. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Non-CREST Shareholders will have received an Application Form which sets out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements as soon as possible after 8.00 a.m. on 22 March 2017.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the New Ordinary Shares arising pursuant to the Capital Reorganisation and will rank *pari passu* for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

The Open Offer Entitlements of Qualifying CREST Shareholders will be registered in uncertificated form and credited to their stock account in CREST. The Open Offer Entitlements of Qualifying Non-CREST Shareholders will be registered in certificated form and sent to Qualifying Non-CREST Shareholders. The action to be taken in relation to the Open Offer is described in paragraph 3 below.

The Open Offer is subject to the satisfaction, amongst other matters, of the following conditions on or before 8.00 a.m. on 10 April 2017 (or such time and date being no later than 5.00 p.m. on 21 April 2017, as the Company may decide):

- Admission becoming effective by 8.00 a.m. on 10 April 2017 (or such later time or date not being later than 5.00 p.m. on 21 April 2017 as the Company may decide);
- the Resolutions having been duly passed without amendment at the General Meeting.

It is expected that Admission will occur and dealings in the Open Offer Shares will commence at 8.00 a.m. on 10 April 2017.

If the above conditions are not fulfilled on or before 8.00 a.m. on 10 April 2017 (or such later date and time, being not later than 5.00 p.m. on 21 April 2017, as the Company may decide) application monies are expected to be returned without interest by crossed cheque in favour of the Applicant(s) (at the Applicant's risk) by post for Qualifying Non-CREST Shareholders and through CREST for Qualifying CREST Shareholders as soon as practicable after that date and any Open Offer Entitlements admitted to CREST will be disabled.

The Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the

market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer. Qualifying CREST Shareholders should note that although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's claims processing unit.

Completed Application Forms (in respect of shares held in certificated form), accompanied by full payment, should be returned by post to Capita Asset Services, or by hand (between 9.00 a.m. to 5.30 p.m. Monday to Friday) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 6 April 2017.

The Open Offer Shares will represent approximately 11.9 per cent. of the Enlarged Share Capital.

Further terms of the Open Offer are set out in this Part IV and, where relevant, in the Application Form.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this document, including in particular the important information set out in the letter from the Chairman in Part I of this document, the Risk Factors set out in Part II of this document as well as this Part IV.

### **3. Procedure for Application and Payment**

Save as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your entitlement under the Open Offer or you have Open Offer Entitlements credited to your CREST stock account in respect of such entitlement.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date and who take up Open Offer Shares under their entitlement will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in this paragraph.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of their Open Offer Entitlements of such members held in CREST. CREST Members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service operated by the London Stock Exchange giving details of the revised dates.

#### **(i) *Qualifying Non-CREST Shareholders (Shareholders who hold share certificates and receive an Application Form in respect of their Open Offer Entitlement)***

##### **(a) *General***

Subject to the provisions set out in this Part IV in relation to the Overseas Shareholders, Qualifying Non-CREST Shareholders will have received an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Qualifying Non-CREST Shareholder's name at close of business on the Record Date.

It also shows the number of Open Offer Shares for which such relevant Qualifying Non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in paragraph 2 of this Part IV, above. Qualifying Non-CREST Shareholders may also apply for less than their maximum Open Offer Entitlements.

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

(b) *Market Claims*

Applications for Open Offer Shares may only be made on the Application Form which is personal to the Qualifying Non-CREST Shareholder(s) named thereon and may not be assigned, transferred or split except in the circumstances described below. The Application Form represents the right to apply for Open Offer Shares and is not a document of title and cannot be separately traded. It is transferable only to satisfy legitimate market claims in relation to market purchases pursuant to the rules of the London Stock Exchange prior to the Existing Ordinary Shares being marked “ex” the entitlement to the Open Offer. Applications may be split or consolidated only to satisfy legitimate market claims up to 3.00 p.m. on 4 April 2017.

Any Qualifying Non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer, should consult his stockbroker or other professional adviser as soon as possible since the invitation to acquire Open Offer Shares under the Open Offer may represent a benefit which can be claimed from him by the purchaser or transferee under the rules of the London Stock Exchange. Qualifying Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the purchaser or transferee or the bank, stockbroker or other agent through whom or by whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the United States of America, Australia, Canada, South Africa, New Zealand or Japan. Applications for Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by AIM, being 21 March 2017. Application Forms may be split up to 3.00 p.m. on 4 April 2017.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 3(ii) below.

A Qualifying Non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to Capita Asset Services. However, he or she is strongly encouraged to still complete and return the Form of Proxy to Capita Asset Services.

(c) *Application Procedures*

Applications for Open Offer Shares by Qualifying Non-CREST Shareholders may only be made on the Application Form, which is personal to the Qualifying Non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

If you are a Qualifying Non-CREST Shareholder and wish to apply for all or some of your entitlement to Open Offer Shares under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it by post or deliver it by hand (during normal business hours only) with the appropriate remittance, to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive no later than 11.00 a.m. on 6 April 2017. A reply paid envelope is enclosed for use by Qualifying Non-CREST Shareholders in connection with the Open Offer. Your Application Form will not be valid unless you sign it.

The Application Form represents a right personal to the Qualifying Non-CREST Shareholders to apply to subscribe for Open Offer Shares; it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange.

Application Forms may be split up to 3.00 p.m. on 4 April 2017 but only to satisfy such *bona fide* market claims. Qualifying Non-CREST Shareholders who have before the Ex-Entitlement Date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Qualifying Non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part IV, in the letter from the Chairman of the Company in Part I, in the Application Form and in the articles of association of the Company) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of the application as nevertheless valid.

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 a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque or a duly endorsed banker's draft is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying Non-CREST 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. None of Capita Asset Services, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

Please note that Capita Asset Services cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement(s) to Open Offer Shares under the Open Offer. If any Application Form is sent by first class post within the United Kingdom, Qualifying Non-CREST Shareholders are recommended to allow at least four Business Days for delivery. The Company may in its absolute discretion elect to accept Application Forms and remittances after 11.00 a.m. on 6 April 2017. The Company may also (in its sole discretion) elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

The Company also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 6 April 2017 from an authorised person (as defined in FSMA) specifying the number of Open Offer Shares concerned, and undertaking to lodge the relevant Application Form in due course.

#### (d) *Payments*

All payments must be in pounds sterling and cheques or duly endorsed banker's drafts should be made payable to "Capita Registrars Limited re: Orogen Gold plc – Open Offer Account" and crossed "A/C payee only". Cheques or banker's drafts 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 and banker's drafts 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. Third party cheques may not be accepted except building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the back of the building society cheque or bankers' draft on the reverse to such effect.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Application monies will be paid into a separate non-interest bearing bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 10 April 2017 or such later time and date as the Company may decide (being no later than 5.00 p.m. on 21 April 2017), the Open Offer will lapse and application monies will be returned by post to Applicant(s), at the Applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter.

The Company shall as soon as possible after 10 April 2017 refund any payment received with respect to an application under the Open Offer in respect of an Open Offer Entitlement which has been rejected in whole or in part by the Company.

(e) *Effect of Application*

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. By completing and delivering an Application Form, you (as the Applicant(s)):

- (i) agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (ii) confirm to the Company and Turner Pope that in making the application you are not relying on any information or representation other than that contained in this document, and you accordingly agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such information or representation not so contained and that having had the opportunity to read this document you will be deemed to have notice of all the information concerning the Company and the New Ordinary Shares contained within this document;
- (iii) represent and warrant to the Company and Turner Pope that if you have received some or all of your Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (iv) represent and warrant to the Company and Turner Pope that you 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 are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within a Restricted Jurisdiction or to a resident of a Restricted Jurisdiction or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (v) represent and warrant to the Company and Turner Pope that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis;
- (vi) represent and warrant to the Company and Turner Pope as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in a Restricted Jurisdiction, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into a Restricted Jurisdiction; (ii) you are not and were not located in a Restricted Jurisdiction at the time you accepted the Application Form or at the time you returned the Application Form; (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside a Restricted Jurisdiction at the time he or she instructed you to submit the Application Form;
- (vii) request that the Open Offer Shares to which you will become entitled be issued to you on the terms set out in this document and the Application Form, subject to the articles of association of the Company;
- (viii) confirm that in making the application you are not relying on and have not relied on the Company or Turner Pope or any person affiliated with the Company or Turner Pope in connection with any investigation of the accuracy of any information contained in this document or your investment decision;
- (ix) represent and warrant to the Company and Turner Pope that you are not and nor are you applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (x) represent and warrant to the Company and Turner Pope that you have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute,

deliver and exercise your rights, and perform your obligations under any contracts resulting therefrom and that you are not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;

- (xi) acknowledge that the Existing Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the rules of AIM (the "Exchange Information"), and that you are able to obtain or access the Exchange Information without undue difficulty. None of the Company, Turner Pope, nor any person acting on their behalf nor any of their respective 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 this document, the Application Form or any other 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; and
- (xii) represent and warrant to the Company and Turner Pope that the purchase by you of Open Offer Shares does not trigger in the jurisdiction in which you are 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.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid.

If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form. Shareholders are nevertheless requested to complete and return the enclosed Form of Proxy for use at the General Meeting to be held at 11.00 a.m. on 7 April 2017.

If you have any queries on the procedures for application under the Open Offer, you should contact the Receiving Agents, Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(ii) ***Qualifying CREST Shareholders (If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer)***

(a) *General*

Subject as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 22 March 2017 or such later time as the Company may decide, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

Qualifying CREST Shareholders who wish to apply for 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. If you have any queries on the procedures for application under the Open Offer, you should contact the Receiving Agents, Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If you are a CREST sponsored member you should consult your CREST Sponsor if you wish to apply for Open Offer Shares as only your CREST Sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

The Open Offer Entitlements will have a separate ISIN/SEDOL number and will constitute separate securities for the purposes of CREST. 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 Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. 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.

(c) *USE Instructions*

Qualifying CREST Shareholders who wish 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 Unmatched Stock Event (“USE”) instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of Capita Asset Services 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 Capita Asset Services Investor Services 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.

(d) *Content of USE Instructions in respect of Open Offer Entitlements*

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to Capita Asset Services as receiving agent);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00BYXD3L54;
- (iii) the CREST participant ID of the accepting CREST Member;
- (iv) the CREST Member account ID of the accepting CREST Member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of Capita Asset Services, in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Capita Asset Services, in its capacity as CREST receiving agent. This is 29081ORO;
- (vii) 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;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 6 April 2017; and
- (ix) 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 6 April 2017.

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 6 April 2017 in order to be valid is 11.00 a.m. on that day.

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

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is 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) as set out in the Application Form.

A holder of an Application Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 6 April 2017.

In particular, having regard to normal processing times in CREST and on the part of Capita Asset Services, 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 in CREST, is 3.00 p.m. on 31 March 2017, and the recommended latest time for receipt by Euroclear UK & Ireland of a dematerialised instruction requesting withdrawal of Open Offer Entitlements 30 March 2017, 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 6 April 2017.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company by the relevant CREST Member(s) that it/they is/are not in breach of the provisions of the warranties and representations on page 2 of the Application Form, and a declaration to the Company from the relevant CREST Member(s) that it/they is/are not citizen(s) or resident(s) of any of the Restricted Jurisdictions 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.

*(f) 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 6 April 2017 will constitute a valid application under the Open Offer.

*(g) CREST Procedures and Timings*

CREST Members and (where applicable) their CREST Sponsors should note that Euroclear UK & Ireland 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 6 April 2017.



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.

(h) *Incorrect or Incomplete Applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through Capita Asset Services reserves the right:

- (i) to reject the application in full and refund the payment to the CREST Member in question;
- (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 CREST Member in question; and
- (iii) 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 unutilised sum to the CREST Member in question (without interest).

(i) *Effect of Valid Application*

A CREST Member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Capita Asset Services' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST Member to pay to the Company the amount payable on application);
- (ii) confirm to the Company and Turner Pope that in making the application he is not relying on any information or representation other than that contained in this document, and he accordingly agrees that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such information or representation not so contained and that having had the opportunity to read this document he will be deemed to have notice of all the information concerning the Company contained within this document;
- (iii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the articles of association of the Company;
- (iv) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (v) represent and warrant to the Company and Turner Pope that he is not applying on behalf of any Shareholder 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 and he is not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder 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 and that he is able to accept the invitation by the Company of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (vi) represent and warrant to the Company and Turner Pope that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vii) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in publicly available information and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agrees that he will be deemed to have had notice of all the information concerning the Company contained within this document;

- (viii) represent and warrant to the Company and Turner Pope that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (ix) represent and warrant to the Company and Turner Pope that he has the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (x) confirm that in making the application he is not relying on and have not relied on the Company, Turner Pope or any person affiliated with the Company or Turner Pope in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
- (xi) acknowledge that the Existing Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the rules of AIM (the “Exchange Information”), and that he is able to obtain or access the Exchange Information without undue difficulty. None of the Company, Turner Pope nor any person acting on their behalf nor any of their respective 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 the Exchange Information, any other 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; and
- (xii) warrant and represent to the Company and Turner Pope that the purchase by him of Open Offer Shares does not trigger in the jurisdiction in which he 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.

(j) *Company’s discretion as to Rejection and Validity of Applications*

The Company may in its sole discretion:

- (i) 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 IV;
- (ii) 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;
- (iii) 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 Capita Asset Services receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Capita Asset Services have received actual notice from CREST of any of the matters specified in Regulation 35(5)(a) 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
- (iv) 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 Registrar in connection with CREST.

#### 4. Money Laundering Regulations

##### (i) Holders of Application Forms

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of the Financial Services and Markets Act 2000 and the Proceeds of Crime Act 2002 (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms) (together, the "Regulations"), that Capita Asset Services Agent may, in its absolute discretion, require verification of your identity to the extent that you have not already provided the same. Pending the provision to Capita Asset Services of evidence of your identity, definitive certificates in respect of Open Offer Shares may be retained at its absolute discretion.

If within a reasonable time after a request for verification of identity but in any event by 11.00 a.m. on 6 April 2017, Capita Asset Services has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the monies payable on acceptance of the application will, if paid, be returned without interest and net of bank charges at the Applicant's Risk by cheque to the Applicant(s) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid). In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 3.00 p.m. on 4 April 2017), by the person(s) named in Box 1 on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker's draft, the Applicant should:

- (i) ask the building society or bank to endorse the back of the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker's draft;
- (ii) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please contact Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes;
- (iii) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (iv) third party cheques may be accepted unless covered by (i) above.

In any event, if it appears to Capita Asset Services that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

The verification of identity requirements will not usually apply:

- (1) if the applicant is an organisation required to comply with the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing);
- (2) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (3) if the applicant (not being an applicant who delivers their application in person) makes payment by way of a cheque drawn on an account in the applicant's name;

In other cases the verification of identity requirements may apply.

For applications over the equivalent of €15,000, Qualifying Non-CREST Shareholders are also requested to submit with the Application Form as documentary evidence of identity and address one certified copy document from each of the following lists (as appropriate):

Personal identity documents (UK resident individuals)

- current signed passport;
- Northern Ireland Voter's Card;
- current full UK driving licence;
- benefits book or original notification letter from the Benefits Agency confirming the right to benefit; or
- HM Revenue & Customs tax notifications e.g. tax assessment, statement of account or notice of coding.

Evidence of address (UK resident individuals)

- recent utility bill or utility statement (mobile telephone bills are not acceptable);
- local authority tax bill (current year);
- current UK driving licence (if not used for evidence of name);
- benefits book or original notification letter from the Benefits Agency confirming the right to benefit (provided one or other has not been used as evidence of personal identity); or
- HM Revenue & Customs correspondence addressed to you at stated address (provided HM Revenue & Customs notifications have not been used as evidence of personal identity). If you are a corporation, please supply:
  - a certified copy of your articles of association or statutes or published accounts or certificate of incorporation or trade register entry or certificate of trade;
  - the names, addresses and specimen signatures of all directors; and
  - evidence of identity and address as stated above for each director.

All certified documents must be certified by a professional person such as a lawyer or attorney, notary or an official entity such as an embassy, consulate or high commission of the country of issue.

Neither Capita Asset Services nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company, at such specified time thereafter as may be required to ensure compliance with the Regulations.

(ii) *Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, Capita Asset Services is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Capita Asset Services before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to the Company, Turner Pope and Capita Asset Services such information as may be specified by Capita Asset Services as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to Capita Asset Services as to identity, Capita Asset Services may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

## **5. Taxation and Stamp Duty**

If you are in any doubt as to your tax position you should consult your professional adviser without delay.

## **6. Overseas Shareholders**

In respect of persons not resident in the United Kingdom or who are citizens of countries other than the United Kingdom the Open Offer may be affected by the laws or regulatory requirements of jurisdictions outside the United Kingdom. It is the responsibility of each Overseas Shareholder to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection with the Open Offer and voting at the General Meeting. No person receiving a copy of this document and/or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him/her nor should he/she in any event use such Application Form unless in the relevant territory such an invitation could lawfully be made to him/her or such Application Form could lawfully be used without compliance with any registration or other legal or regulatory requirements other than any which may have been fulfilled.

In particular, the Open Offer Shares have not been registered under the United States Securities Act of 1933 (as amended) or the relevant securities legislation in Australia, Canada, South Africa, New Zealand or Japan and therefore the Open Offer Shares may not be offered, sold, transferred or delivered directly or indirectly in the United States of America, Australia, Canada, South Africa, New Zealand or Japan or their respective territories and possessions. No application form will be accepted from any Shareholder who is unable to give the warranty set out in the Application Form or who the Company or its agent has reason to believe is ineligible to apply.

It is the responsibility of any person receiving a copy of this document or an Application Form and wishing to make an application to subscribe for the Open Offer Shares to satisfy himself/herself as to the full observance of the laws and regulatory requirements of any relevant territory, including the obtaining of all necessary governmental or other consents which may be required or observing any other formalities needing to be observed in such territory and the payment of any taxes due in such jurisdiction.

None of the Company, Turner Pope, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

The Company, Capita Asset Services and Turner Pope reserve the right to treat as invalid any application, or purported application, to subscribe for Open Offer Shares pursuant to the Open Offer which appears to the Company or its agent to have been executed, effected or dispatched in a manner which may involve a breach of the securities legislation of any jurisdiction or which does not include the warranties set out in the Application Form. Completion of an Application Form shall constitute a warranty that the Shareholder is eligible to apply.

## **7. Admission, Settlement and Dealings**

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects, it is expected that Admission will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 10 April 2017.

Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 6 April 2017 (the latest date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied (expected to be 10 April 2017). On this day, Capita Asset Services will instruct Euroclear UK & Ireland to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 10 April 2017). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer

Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by Capita Asset Services in connection with CREST.

For Qualifying Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be dispatched during the week commencing 17 April 2017. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register. All documents or remittances sent by or to Applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to the Application Form.

## **8. Dilution**

The share capital of the Company in issue at the date of this document will (assuming that all of the Open Offer Shares and the Placing Shares are issued) be increased approximately 8.4 times as a result of the issue of Open Offer Shares and the Placing Shares. Those Shareholders who do take up their Open Offer Entitlements will suffer a reduction of approximately 76.1 per cent. in their proportionate ownership and voting interest in the ordinary share capital of the Company as represented by their holding of New Ordinary Shares immediately following Admission.

## PART V

# Orogen Gold plc

*(Incorporated in England and Wales with registered number 05379931)*

### NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting (“General Meeting”) of Orogen Gold plc (the “Company”) will be held on 7 April 2017 at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 11.00 a.m. for the transaction of the following business:

To consider and, if thought fit, to pass the following resolutions, numbers 1 and 2 of which will be proposed as ordinary resolutions and numbers 3 to 5 of which will be proposed as special resolutions:

### ORDINARY RESOLUTIONS

1. **THAT**, subject to and conditional upon the resolutions numbered 2, 3, 4 and 5 below being passed and in accordance with section 618 of the Companies Act 2006, with effect from close of business on 7 April 2017:
  - (a) every 250 ordinary shares of 0.01 pence each in the issued share capital of the Company be consolidated into one ordinary share of 2.5 pence each, such shares having the rights and being subject to the restrictions (save as to nominal value) as the existing ordinary shares of 0.01 pence each in the capital of the Company as set out in the Company’s articles of association for the time being (each an “Intermediate Ordinary Share”); and
  - (b) immediately thereafter, every one issued Intermediate Ordinary Share be sub-divided into one ordinary share of 0.01 pence each, such shares having the rights and being subject to the restrictions set out in the Company’s articles of association for the time being, and 249 deferred shares of 0.01 pence each, such shares having the rights and being subject to the restrictions set out the resolution numbered 3 below,

and where the consolidation referred to in paragraph (a) above results in any member of the Company becoming entitled to a fraction of an Intermediate Share: (i) such fractions will, in so far as possible, be aggregated with all other fractions of Intermediate Ordinary Shares so as to form whole ordinary shares of 0.01 pence each in the capital of the Company following the sub-division referred to in paragraph (b) above; (ii) the Board may on behalf of all such members sell such ordinary shares for the best price reasonably obtainable to any person (including the Company); (iii) the Company may retain the net proceeds of sale of such ordinary shares representing fractions for the benefit of the Company; and (iv) the directors of the Company may authorise some person to execute an instrument of transfer of the ordinary shares, or in the case of ordinary shares for the time being in uncertificated form to take such other steps as may be necessary to transfer the ordinary shares sold to, or in accordance with the directions of, the purchaser.

2. **THAT**, in addition and without prejudice to all equivalent authorities and other powers granted to the directors of the Company at the Company’s general meeting on 9 November 2016, subject to and conditional upon the resolutions numbered 1, 3, 4 and 5 being passed, and in accordance with section 551 of the Companies Act 2006, the directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £23,400, equal to 234,000,000 ordinary shares of 0.01 pence each in the capital of the Company), provided that, unless previously revoked, varied or extended, this authority will expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2017, or the date falling six months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on that date).

## SPECIAL RESOLUTION

3. **THAT**, subject to and conditional upon the resolutions numbered 1, 2, 4 and 5 being passed, with effect from the conclusion of the General Meeting:

(a) any limit on the maximum amount of shares that may be allotted by the Company which is imposed in the Company's memorandum and/or articles of association by the amount of the Company's authorised share capital be revoked; and

(b) the existing articles of association of the Company be amended in the manner set out below:

(i) the following definition be added to Article 2.1:

*““B Deferred Shares” B deferred shares of 0.01p each in the capital of the Company;”;*

(ii) the following new article be inserted as a new Article 3.5:

*“3.5 The holders of B Deferred Shares shall not by virtue of or in respect of their holdings of B Deferred Shares have the right to receive notice of any general meetings of the Company nor the right to attend, speak or vote at any such general meeting. The B Deferred Shares shall not entitle their holders to receive any dividend or other distribution or to participate in any way in the income or profits of the Company. The B Deferred Shares shall on the return of assets in a winding up entitle the holders only to the repayment of the amount that is paid up on such shares after (i) repayment of the capital paid up on Ordinary Shares and the payment of £10,000,000 per Ordinary Share and (ii) repayment of the capital paid up on Deferred Shares. Save as aforesaid, the holders of the B Deferred Shares shall have no interest or right to participate in the assets of the Company. The Company shall have an irrevocable authority at any time after the adoption of this article:*

*(a) to appoint any person on behalf of any holder of B Deferred Shares to enter into an agreement to transfer and to execute a transfer of the B Deferred Shares to such person as the directors may determine and to execute any other documents which such person may consider necessary or desirable to effect such transfer or to give instructions to transfer any B Deferred Shares held in uncertificated form to such person as the directors may determine, in each case without obtaining the sanction of the holder(s) of them and without any payment being made in respect of that transfer; or*

*(b) to acquire all or any of the B Deferred Shares (in accordance with the provisions of the Acts) and in connection with any such acquisition to appoint any person on behalf of any holder of B Deferred Shares to enter into any agreement to transfer and to execute a transfer of the B Deferred Shares in favour of the Company and to execute any other documents which such person may consider necessary or desirable to effect such transfer or to give instructions to transfer any B Deferred Shares held in uncertificated form to the Company, in each case without obtaining the sanction of the holder(s) of them and for a payment of not more than £1.00 for all the B Deferred Shares, the subject of such acquisition, and to cancel the same, without making any payment to the holders thereof, or*

*(c) to cancel all or any of the B Deferred Shares for no consideration by means of a reduction in capital effected in accordance with the provisions of the Acts without sanction on the part of the holders of the B Deferred Shares or otherwise in accordance with the Acts; and*

*(d) pending any such transfer or cancellation or acquisition to retain the certificate for any B Deferred Shares held in certificated form.”;* and

(iii) the following new article be inserted as a new Article 3.6:

*“3.6 Other than as specified in Article 3.5, the B Deferred Shares shall not be transferable nor shall the holders of them be entitled to mortgage, pledge, charge or otherwise encumber them or create or dispose of or agree to create or dispose of any interest (within the meaning of section 820 of the Companies Act 2006) whatsoever in any B Deferred Shares.”.*



4. **THAT**, in addition and without prejudice to all equivalent authorities and other powers granted to the directors of the Company at the Company's annual general meeting on 9 November 2016, subject to and conditional upon the resolutions numbered 1, 2, 3 and 5 being passed, and in accordance with section 570(1) of the Companies Act 2006, the directors of the Company be empowered to allot equity securities for cash (within the meaning of section 560 of the Companies Act 2006) pursuant to the authority conferred by the resolution numbered 2 above, as if section 561 of the Companies Act 2006 did not apply to any such allotment, provided that this power shall:
- (a) be limited to the allotment of up to 234,000,000 new ordinary shares of 0.01 pence each; and
  - (b) expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2017 or the date falling six months from the date of passing this resolution but may be previously revoked, varied or extended by special resolution.
5. **THAT**, subject to and conditional upon the resolutions numbered 1, 2, 3 and 4 above being passed, the registered name of the Company be changed to Orogen plc.

By Order of the Board

**Ross Crockett**  
*Company Secretary*

*Registered Office:*

Finsgate  
5-7 Cranwood Street  
London  
EC1V 9EE

Dated 21 March 2017

Notes:

1. Pursuant to Regulation 41(3) of the Uncertificated Securities Regulations 2001 (SI 2001/3755), only those shareholders registered in the Company's register of members at close of business on 5 April 2017 or, if the General Meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend, speak and vote at the General Meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
2. If you are a shareholder who is entitled to attend and vote at the General Meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a form of proxy with this Notice of General Meeting. A proxy does not need to be a shareholder of the Company but must attend the General Meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
3. Details of how to appoint the Chairman of the General Meeting or another person as your proxy are set out in the notes to the form of proxy. Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.
4. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact Capita Asset Services on 0371 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. You will need to state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
5. Shareholders can:
  - appoint a proxy or proxies and give proxy instructions by returning the enclosed form of proxy by post (see note 6); or
  - if a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 7).
6. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote.

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

- completed and signed;
- sent or delivered to Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, BR3 4TU; and
- received by Capita Asset Services no later than 11.00 a.m. on 5 April 2017.

In the case of a shareholder which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the form of proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.

If you have not received a form of proxy and believe that you should have one, or if you require additional forms of proxy, please contact Capita Asset Services on 0371 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited ("Euroclear") and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Capita Asset Services (ID: RA10) no later than 11.00 a.m. on 5 April 2017, or, in the event of an adjournment of the General Meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where

applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (SI 2001/3755).

8. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
9. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
10. As at close of business on 20 March 2017, which is the latest practicable date before publication of this Notice of General Meeting, the Company's issued share capital comprised 7,841,002,670 ordinary shares of 0.01 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at close of business on 20 March 2017 is 7,841,002,670.
11. A copy of the proposed new articles of association of the Company, together with a copy of the existing articles of association of the Company marked to show the changes being proposed, will also be available for inspection at the Company's registered office from 21 March 2017 until the time of the General Meeting and at the place of the General Meeting from at least 15 minutes prior to the General Meeting until the end of the General Meeting.

