THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document and/or the action you should take, you are recommended to seek as soon as possible your own personal financial advice from your stockbroker, bank, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your holding of shares in Trans-Siberian Gold plc you should immediately forward this document, including the Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Trans-Siberian Gold PLC which is set out on pages 6 to 12 of this document in which the Directors of Trans-Siberian Gold PLC recommend you to vote in favour of the resolutions to be proposed at the General Meeting.

TRANS-SIBERIAN GOLD PLC

(*Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 1067991*)

Proposed Conversion of Existing Debt of US$5,209,133 into new Ordinary Shares

Proposed Placing of 3,533,534 new Ordinary Shares at 30.8 pence per new Ordinary Share

and

Notice of General Meeting

Notice of a General Meeting of Trans-Siberian Gold plc to be held at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN at 10.30 a.m. on 23 March 2010 is set out on page 13 of this document. A Form of Proxy for use at the General Meeting is enclosed with this document for use at the Meeting. **To be valid, the Form of Proxy should be completed and returned in accordance with the instructions on it as soon as possible and, in any event, so as to be received by the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR, no later than 10.30 a.m. on 21 March 2010.** Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting in person should they so wish.

The Placing Shares, including those arising from the Conversion, are not being offered to the public, will not be registered under the US Securities Act 1933 and are not being offered or sold in the United States.

CONTENTS

DEFINITIONS

In this document, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

"Act"	the Companies Act 2006;
"Admission"	admission of the Conversion Shares and the Placing Shares to trading on AIM;
"AGA"	AngloGold Ashanti Limited, including its affiliate AngloGold Ashanti Holdings plc;
"AGA Debt"	charges for technical services provided by AGA, agreed at US$842,352, including accrued interest of US$123,164 outstanding on the date of this letter and further interest expected to be accrued up to the date of the GM of US$7,314;
"AGA Option"	the anti-dilution provision in the Subscription Agreement whereby AGA has the option to subscribe for new Ordinary Shares to maintain its existing percentage shareholding when TSG issues new Ordinary Shares;
"AIM"	the AIM market of the London Stock Exchange;
"AIM Rules"	the rules for AIM Companies published by the London Stock Exchange;
"Asacha Licence"	licence series PTR No 11626 type BE for the purposes of the mining of gold and silver from the Asachinskoye gold ore deposit in the Kamchatka region, Russian Federation;
"Asacha Project"	the development of the Asacha mine for the extraction of the Asachinskoye gold deposit in accordance with the Asacha Licence;
"Board" or "Directors"	the board of directors of Trans-Siberian Gold plc;
"Closing Price"	the closing mid-market price for the Ordinary Shares;
"the Code"	the City Code on Takeovers and Mergers;
"Company" or "TSG"	Trans-Siberian Gold plc;
"Conversion"	the conversion of the AGA Debt and the UFG Loans into 12,345,087 new Ordinary Shares;
"Conversion Price"	30.8 pence per Ordinary Share subject to rounding down;
"Conversion Rate"	the closing mid-market US dollar/pounds sterling exchange rate on 22 March 2010 being the rate at which the Loans are to be converted into pounds sterling for the purpose of the Conversion, assumed in this document to be US$1.37:£1;
"Conversion Shares"	the new Ordinary Shares being issued to AGA and UFG pursuant to the Conversion;
"Employee Share Option Scheme"	the Employee Share Option Scheme adopted by the Company on 18 August 2008;

"Enlarged Issued Share Capital"	the 100,791,652 Ordinary Shares which are expected to be in issue following completion of the Placing and the Conversion;
"General Meeting" or "GM"	the general meeting of the Company convened for 10.30 a.m. on 23 March 2010, notice of which is set out at the end of this document;
"Form of Proxy"	the form of proxy enclosed with this document for use in connection with the GM;
"Group Company"	the Company and any company which is a subsidiary of the Company as defined in section 1159 of the Act, and the Company shall be treated, for the purposes only of the membership requirement contained in subsections 1159 (1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) whether by way of security or in connection with the taking of security, or (b) its nominee;
"Loans"	collectively the AGA Debt and the UFG Loans;
"Ordinary Shares"	the ordinary shares of 10 pence each in the capital of the Company;
"Placee"	AGA;
"Placing"	the placing of the Placing Shares at 30.8 pence per share with AGA;
"Placing Price"	30.8 pence per new Ordinary Share;
"Placing Shares"	the new Ordinary Shares being issued pursuant to the Placing;
"Resolutions"	the resolutions numbered 1 to 3 inclusive set out in the notice of GM at the end of this document;
"Shareholders"	holders of Ordinary Shares;
"Subscription Agreement"	the agreement between the Company and AGA dated 30 June 2004, as amended on 22 December 2004, 15 April 2005 and 27 April 2005, pursuant to which AGA subscribed for a total of 12,263,170 new Ordinary Shares in two equal tranches on 30 July 2004 and 31 May 2005;
"UFG"	UFG Asset Management;
"UFG Loan A"	the facility of US$3,000,000 provided by UFG to the Company as bridging finance on 29 May 2009, the balance of which on the date of the GM is expected to be US$3,324,658 including accrued interest of US$293,836 outstanding on the date of this letter and further interest expected to be accrued up to the date of the GM of US$30,822;
"UFG Loan B"	the facility of US$3,500,000 provided by UFG to the Company as bridging finance on 8 December 2009, the balance of which on the date of the GM is expected to be US$1,042,123 including accrued interest of US$31,849 outstanding on the date of this letter and further interest expected to be accrued up to the date of the GM of US$10,274;

"UFG Loans"	collectively UFG Loan A and UFG Loan B;
"Zarevo"	ZAO "Trevozhnoe Zarevo" a joint stock company organised and existing under the laws of the Russian Federation, registered in the Unified State Register of Legal Entities under No. 1024101215346, having its registered office at Uralskaya street 1a, Elizovo, Elizovskiy district Kamchatka krai, Russian Federation, and holder of the Asacha Licence;
"Zarevo Facility"	a three year US$25 million loan facility for the completion of the Asacha Project, initially provided by a Russian bank to Zarevo in October 2009 and subsequently refinanced with a second Russian bank on 30 December 2009.

LETTER FROM THE CHAIRMAN

TRANS-SIBERIAN GOLD PLC

(*Incorporated in England and Wales with Registered Number 1067991*)

Directors:	*Registered Office:*
Oleg Bagirov	39 Parkside
Peter Burnell	Cambridge, CB1 1PN
Florian Fenner	
Dmitry Khilov	
Simon Olsen	
Charles Ryan	

26 February 2010

Dear Shareholder

Introduction

The Company will announce on 1 March 2010 proposals to strengthen its capital base and provide additional financial resources by converting US$5,209,133 of existing debt into up to 12,345,087 new Ordinary Shares in the Company at 30.8 pence per share and by raising approximately £1.1 million, net of expenses, through a placing of 3,533,534 new Ordinary Shares also at 30.8 pence per share, in each case conditional on Shareholder approval.

The purpose of this letter is to set out the background to, details of and the reasons for, the Conversion and the Placing, to explain why the Directors believe that the Conversion and the Placing are in the best interests of the Company and the Shareholders as a whole and to recommend that Shareholders vote in favour of the Resolutions set out in the Notice of the General Meeting set out at the end of this document.

Background to UFG Loans

UFG Loan A

TSG reported on 29 May 2009 that, while negotiations continued with other potential sources of finance for the Asacha Project, UFG had agreed to provide the Company with bridging finance of up to US$3 million on commercial terms, repayable in two equal tranches, the first on the earlier of the first anniversary of the commencement of gold production at Asacha and 30 September 2011, and the second on the earlier of the second anniversary of first gold production and 30 September 2012.

It was also reported that UFG had an option, subject to the requisite approval of TSG's shareholders, to convert any part of the outstanding loan into Ordinary Shares at a price equivalent to the volume weighted average price of the Company's shares for the period of 60 business days prior to notice of such conversion.

UFG Loan B

TSG reported on 19 October 2009 the first drawdown of a three year US$25 million loan facility provided by a Russian bank to Zarevo for the Asacha Project. Negotiations continued during fourth quarter 2009 with a second Russian bank, which had indicated more favourable terms over the three year term of the facility, with a potential interest saving, net of arranger fees, of approximately US$1 million. However, this bank required an interest prepayment of approximately US$846,000 during the construction period of the project.

The Board considered that, as the terms offered by the second Russian bank were more favourable, it was in the best interests of TSG to refinance the initial borrowing. In order to facilitate the refinancing of the Zarevo Facility and to provide funds for the interest prepayment required by the second bank, on 2 December 2009 UFG agreed to provide the Company with bridging finance of a further US$3.5 million on commercial terms. It was agreed that all or part of the loan could be repaid by TSG without penalty at any time before the scheduled repayment, which was to be in two equal tranches, the first on the earlier of the first anniversary of the commencement of gold production at Asacha and 30 September 2011, and the second on the earlier of the second anniversary of first gold production and 30 September 2012.

It was also agreed that the UFG Loan B could be converted into Ordinary Shares on the same basis as the UFG Loan A as described above.

The Company drew down the US$3.5 million facility from UFG on 8 December 2009 and, following the completion of the refinancing of the Zarevo Facility, repaid US$2.5 million of the UFG Loan B to UFG on 30 December 2009.

UFG Option Exercise

On 25 February 2010 UFG notified the Company that it wished to exercise the conversion option in respect of the outstanding amounts of the UFG Loans.

Details of the proposed Conversion are set out below.

Background to AGA Debt

In connection with the Subscription Agreement, AGA agreed to provide specialist technical consultancy services to the Company for a three year period on commercial terms. The services included the secondment of a Chief Operating Officer and Asacha Project Manager for periods of 17 months and 14 months respectively, as well as provision of mining, metallurgical and exploration expertise. TSG and AGA have now agreed the outstanding amount due to AGA in respect of the consultancy services at US$744,567.

It has also been agreed as part of the settlement that this amount, less US$32,693 costs incurred by TSG on behalf of AGA, being US$711,874 net, should bear interest on commercial terms with effect from 1 January 2009.

AGA Option Exercise and Placing

The Subscription Agreement includes an anti-dilution provision, whereby, on each occasion that TSG issues new Ordinary Shares, AGA has the option, but is not required, to maintain its interest in TSG at the same percentage as its shareholding immediately prior to each issue of new Ordinary Shares. On any occasion when AGA elects not to exercise its option to maintain the same percentage interest, the maximum interest which it may maintain on any future issue of new Ordinary Shares by the Company is adjusted accordingly.

AGA has notified the Company that, if the proposed Conversion of the UFG Loans is completed, it wishes to exercise its option to maintain its current 29.74 per cent. shareholding and is also willing to subscribe for additional new Ordinary Shares so that its total subscription for new Ordinary Shares shall be on a proportionate basis to UFG. The Company and AGA have agreed that this shall be achieved in part through the conversion of the AGA Debt into new Ordinary Shares, on the same basis as the conversion of the UFG Loans, with the remaining part by means of a placing of new Ordinary Shares. This will require the issue to AGA of up to 1,996,284 Conversion Shares and 3,533,534 Placing Shares.

The exercise of the AGA Option without such proportionate subscription would have resulted in the issue to AGA of up to 1,996,284 Conversion Shares and 2,119,814 Placing Shares.

Asacha

Further progress has continued to be made at the Asacha Project. During 2009 more than 1,000 metres of mine development and preparation works were completed, in total about 2,100 metres since 2008. Preproduction ore mined in 2009 amounted to 5,445 tonnes, with a further 2,333 tonnes in

January 2010. At the end of that month 41,851 tonnes of ore were ready for processing. Underground activities included steel arching, electrical works, the installation of pumping equipment and piping to deliver compressed air and water.

The concrete foundations for the plant building were finished in October 2009, with 31 per cent. of the foundations for plant equipment completed by the end of January 2010. In November 2009, assembly of the metal framework of the plant building commenced and lighting of the plant site was arranged with 126 metres of cables laid and 20 lamps installed. Work is continuing with two shifts employed. By the end of January 2010 44 per cent. of the metal parts were ready.

At the tailings storage facility, in spite of severe climatic conditions, site soil excavation has continued through the winter, with 23,600 cubic metres excavated and transported to the waste heap in January 2010. Work also continues on the foundations for the mechanical repair shops and terracing of the fuel storage facility.

The total capital cost of the Asacha Project to the start of production is now estimated at US$107.4 million, net of US$14.4 million VAT recoveries, compared to the September 2009 estimate of US$106.1 million. The total project cost includes pre-commissioning mining costs of US$5.1 million, other pre-operating expenditure of US$28.8 million, “first fill” equipment spares and consumables of US$1.1 million and contingency of US$3.3 million. The revised capital projection includes a US$1.5 million increase in the contingency provision and assumes a stronger Russian rouble in accordance with official state projections (RUR33.9:US$1 instead of RUR35:US$1).

US$86.9 million, net of US$6.2 million VAT recovered, has been spent up to the end of December 2009. A further US$20.5 million, net of US$8.2 million additional VAT recoveries, is forecast to be spent prior to the start of production.

US$17.7 million of capital expenditure, including contingency of US$2.1 million, will be incurred after the commencement of production, compared to the September 2009 estimate of US$7.7 million. The increase in post start up capital expenditure includes US$7 million for the completion of the power line in 2011 and an increase in the contingency provision.

Production of gold is now expected to commence in the first quarter of 2011.

Rodnikova

No geologic exploration was undertaken in 2009. The Russian State Commission for Reserves’ comments and recommendations in respect of the Techno-Economic Study of Deposit Development Conditions (a pre-feasibility study) submitted in June 2009 were received in August 2009. The pre-feasibility study will be revised and resubmitted during 2010. The final Report on Reserves is also being developed by Zarevo’s geologists, with expected submission by September 2010.

Reasons for and details of the Conversion

As described above, UFG has notified the Company that it wishes to exercise the conversion option in respect of the outstanding amounts of the UFG Loans and the Company and AGA have agreed, as part of AGA’s subscription for further new Ordinary shares in addition to the exercise of its anti-dilution rights under the Subscription Agreement, that the outstanding amounts due to AGA in respect of the AGA Debt be settled through the issue of Ordinary Shares.

The Board believes that Conversion of the Loans is in the best interests of the Company and the Shareholders as a whole as:

– it will reduce the Company’s indebtedness and remove the need to refinance or repay the Loans; and

– it will avoid future interest charges and thereby improve the Company’s cashflow.

The Loans will be converted into new Ordinary Shares immediately following the GM by applying the Conversion Rate and dividing this figure by the Conversion Price. The resulting number of new

Ordinary Shares shall be rounded down to the nearest whole number of Ordinary Shares. Accordingly fractional entitlements to Ordinary Shares shall not arise.

The Conversion Price of 30.8 pence per new Ordinary Share has been calculated in accordance with the provisions of the UFG Loans and is based on the volume weighted average Closing Price for the 60 trading days ending on 24 February 2010. The Conversion Price represents a premium of 3.3 pence (12 per cent.) to the Closing Price of 27.5 pence per Ordinary Share on 25 February 2010 (being the last trading day prior to the date of this letter). The Company and AGA have agreed that the conversion price of the AGA Debt should be calculated on the same basis as provided by the UFG Loans.

Under these proposals:

up to 10,348,803 new Ordinary Shares will be issued to UFG in consideration of the release of the Company's indebtedness to UFG under the UFG Loans; and

up to 1,996,284 new Ordinary Shares will be issued to AGA in consideration of the release of the Company's indebtedness to AGA under the AGA Debt.

The Conversion Shares, when issued and fully paid, will represent approximately 12.25 per cent. of the Enlarged Issued Share Capital and will rank *pari passu* with the issued Ordinary Shares including any rights to dividends or other distributions paid or made in respect of the Ordinary Shares after Admission.

The issue of the Conversion Shares is conditional on the approval of the Resolutions by Shareholders at the General Meeting of the Company to be held on 23 March 2010.

Application will be made to the London Stock Exchange for admission of the Conversion Shares to trading on AIM. Dealings in the Conversion Shares are expected to commence at 8 a.m. on 24 March 2010. The Conversion Shares will be issued in registered form.

Reasons for and Details of the Placing

The Company will raise approximately £1.1 million (net of expenses) through the issue of the Placing Shares to AGA at a price of 30.8 pence per share. These funds will be used for general corporate purposes, as further described below. The Board believes that the Placing is in the interests of Shareholders and will provide additional financial resources.

The placing is conditional on the approval of the Resolutions by Shareholders at the General Meeting of the Company to be held on 23 March 2010.

The Placing Price of 30.8 pence per new Ordinary Share is based on the volume weighted average Closing Price for the 60 trading days ending on 24 February 2010 and represents a premium of 3.3 pence (12 per cent.) to the Closing Price of 27.5 pence per Ordinary Share on 25 February 2010 (being the last trading day prior to the date of this letter).

The Placing Shares, when issued and fully paid, will represent approximately 3.51 per cent. of the Enlarged Issued Share Capital and will rank *pari passu* with the issued Ordinary Shares including any rights to dividends or other distributions paid or made in respect of the Ordinary Shares after Admission.

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM. Dealings in the Placing Shares are expected to commence at 8 a.m. on 24 March 2010. The Placing Shares will be issued in registered form.

Use of funds summary (January 2010 – February 2011)

	US$m
Asacha capital expenditure to commencement of production	28.7
Less: to be funded by project finance	(21.5)
Asacha VAT refunds	(8.2)
	(1.0)
Rodnikova pre-feasibility report	0.3
Purchase of 4.97% minority interest in Zarevo	0.5
General corporate and other costs	1.1
Financing costs	1.3
Less: current cash resources, net of working capital	(0.5)
Placing Shares	1.7

The above table does not include the Conversion Shares to be issued to UFG and AGA in consideration of the conversion of the Loans, including accrued interest, in total expected to be approximately US$5,209,133 as at 23 March 2010, the date of the GM and proposed Conversion.

Effect of the Conversion and the Placing

Upon completion of the Conversion and the Placing, the new Ordinary Shares will represent approximately 15.76 per cent. of the Company's Enlarged Issued Share Capital and the existing Ordinary Shares will represent approximately 84.24 per cent. of the Company's Enlarged Issued Share Capital.

Following the Conversion and the Placing, UFG will hold 54,123,358 Ordinary Shares, representing 53.70 per cent. of the Enlarged Issued Share Capital.

Following the Conversion and the Placing, AGA will hold 30,780,615 Ordinary Shares, representing 30.54 per cent. of the Enlarged Issued Share Capital.

Shareholders should note that, as reported on 1 February 2008, the Company is not subject to The City Code on Takeovers and Mergers. The Company's principal place of business is not in the UK and a majority of its Directors are based outside the UK. Therefore the Company continues to be deemed to be outside the jurisdiction of the Code and will not be subject to the Code while its management and control remain outside the UK.

Employee Share Option Scheme

The rules of the Employee Share Option Scheme adopted by the Company on 18 August 2008 provide that, in certain circumstances, amendments to the rules of the scheme require the prior approval of the Company in general meeting.

The rules as adopted provide that the Company may specify the exercise period, and any conditions to which exercise will be subject, on the date of grant and that, unless an earlier event, such as the death of the option holder, causes an option to become exercisable, options may be exercised at any time after the later of 24 months from the date of grant and the commencement of the production of gold by any Group Company.

On 27 July 2009 the Company reported that it had granted options to subscribe for a total of 7,217,605 Ordinary Shares (equivalent to 8.5 per cent. of the Company's issued share capital) to three directors and three senior managers of its Russian subsidiaries. The directors and the options granted to them on 24 July 2009 are:

Oleg Bagirov	1,698,260
Dmitry Khilov	2,122,825
Simon Olsen	849,130

The grant of these options stipulated that exercise of 50 per cent. of the options would be subject to approval of the Asacha plant by the State Commission and first production of gold, the remaining

50 per cent. subject to the Asacha plant achieving throughput of 10,000 tonnes for two consecutive months (ie 80 per cent. of planned capacity).

In light of the stipulation of the above exercise conditions and of the fact that the above options were granted eleven months after the inception of the scheme in August 2008 it is proposed that the relevant rules be amended to allow the normal exercise period of an option to commence on the earlier of 24 months from the date of grant of the option or first gold production by any Group Company.

General

The distribution of this document to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created under the laws of countries other than the United Kingdom may be affected by laws of the relevant jurisdiction. Those persons or entities should seek their own independent financial advice.

General Meeting

Shareholders' approval is being sought at the GM for an increase in the Directors' authorities to allot shares and to disapply statutory pre-emption rights in relation to the Conversion and Placing. At the end of this document is a notice convening the GM at which Resolutions will be proposed to:

1. give the Directors authority under Section 551 of the Act to allot Ordinary Shares up to an aggregate nominal amount of £3,612,119.40 (representing the Conversion Shares, the Placing Shares and Ordinary Shares which may be allotted in connection with a future exercise of the AGA Option and one-third of the authorised but unissued ordinary share capital following the passing of the Resolutions), such authority expiring 5 years from the passing of the Resolution; and

2. disapply the statutory pre-emption rights contained in Section 561 of the Act for the purposes of the allotment of further equity securities (as defined by section 560 of the Act) for cash up to an aggregate nominal amount of £2,476,199.40 (representing the Conversion Shares, the Placing Shares and Ordinary Shares which may be allotted in connection with a future exercise of the AGA Option and 5 per cent. of the issued ordinary share capital following the passing of the Resolutions and the issue of the Conversion Shares and the Placing Shares), such authority expiring 5 years from the passing of the Resolution.

Shareholders' approval is also being sought for amendments to the rules of the Employee Share Option Scheme.

Action to be taken

A Form of Proxy is enclosed for use by Shareholders at the GM. **Whether or not Shareholders intend to be present at the GM they are asked to complete, sign and return the Form of Proxy to the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR, as soon as possible but in any event so as to arrive no later than 10.30 a.m. on 21 March 2010.** The completion and return of a Form of Proxy will not preclude Shareholders from attending the GM and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the GM in person, they are urged to complete and return the Form of Proxy as soon as possible.

Related Party Transactions

The Conversion and the Placing, as they relate to UFG and AGA, are defined as related party transactions under the AIM Rules. Under the AIM Rules the Directors (after consulting with Seymour Pierce Limited, the Company's nominated adviser) are required to advise Shareholders if a related party transaction is fair and reasonable insofar as Shareholders are concerned.

The Directors, other than Messrs Fenner and Ryan (who are connected to UFG), having been so advised by Seymour Pierce Limited, the Company's nominated adviser, consider the terms of the Conversion to be fair and reasonable insofar as the Shareholders are concerned.

The Directors, having been so advised by Seymour Pierce Limited, the Company's nominated adviser, consider the terms of the Placing to be fair and reasonable insofar as the Shareholders are concerned.

Recommendation

Your Directors consider that the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at the GM as they intend to do in respect of their own beneficial and non-beneficial holdings, amounting in aggregate to 240,000 existing Ordinary Shares, representing approximately 0.28 per cent. of the Company's issued share capital.

Yours faithfully
Oleg Bagirov
Chairman

TRANS-SIBERIAN GOLD PLC

(*Registered in England and Wales No. 1067991*)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Trans-Siberian Gold plc will be held at 10.30 a.m. (UK time) on 23 March 2010 at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTION

1. THAT in place of the authority given by way of the ordinary resolution of the Company dated 18 August 2008 numbered 2 (a) and (b), the directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to:

   (a) allot shares in the Company (within the meaning of section 551 of the Act) up to an aggregate nominal amount of £1,587,862.10 in connection with a proposed subscription by UFG Asset Management and AngloGold Ashanti Limited ("**AGA**") for new ordinary shares in the Company (the "**Subscription**"), such authority to expire (unless previously renewed, varied or revoked by the Company in general meeting) five years after the date on which this resolution is passed;

   (b) allot shares in the Company (within the meaning of section 551 of the Act) up to an aggregate nominal amount of £383,979.10 in connection with the option granted to AGA in the Subscription Agreement between the Company and AGA dated 30 June 2004, as subsequently amended, to subscribe for new ordinary shares in the Company to prevent the dilution of its shareholding in the Company (the "**AGA Option**"), such authority to expire (unless previously renewed, varied or revoked by the Company in general meeting) five years after the date on which this resolution is passed;

   (c) allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (within the meaning of section 551 of the Act) otherwise than pursuant to paragraphs (a) and (b) above, up to an aggregate nominal amount of £1,640,278.20, being one third of the Company's authorised but unissued share capital following the Subscription, for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) five years after the date on which this resolution is passed; and

   (d) make an offer or agreement which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any security into shares in the Company to be granted after expiry of this authority and the directors may allot shares or grant rights in pursuance of that offer or agreement as if this authority had not expired;

SPECIAL RESOLUTION

2. THAT subject to the passing of the resolution numbered 1 in the notice of the general meeting and in place of the power given to them pursuant to the special resolution of the Company passed on 18 August 2008 the directors be generally empowered pursuant to section 551 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred on them by resolution 1 as if section 561(1) of the Act did not apply to the allotment. This power:

   (a) expires five years after the date on which this resolution is passed, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired;

   (b) shall be limited to:

      (i) the allotment of equity securities in connection with an issue in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their existing holdings of ordinary shares but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory or the requirements of a regulatory body or stock exchange;

(ii) the allotment of equity securities in connection with the Subscription up to an aggregate nominal amount of £1,587,862.10;

(iii) the allotment of equity securities in connection with the AGA Option up to an aggregate nominal amount of £383,979.10;

(iv) the allotment of equity securities in connection with the exercise of existing options (other than options granted by the Company to its employees) over ordinary shares in the Company (the "**Existing Non-Employee Options and Warrants**") up to an aggregate nominal amount of £8,000; and

(v) the allotment (otherwise than pursuant to sub-paragraphs (i) to (iv) above) of equity securities for cash up to an aggregate nominal amount equal to 5 per cent. of the issued and unconditionally allotted share capital of the Company following the allotment of ordinary shares in connection with the Subscription and the Existing Non-Employee Options and Warrants.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560 of the Act as if in the first paragraph of this resolution the words "pursuant to the authority conferred by resolution 1" were omitted.

ORDINARY RESOLUTION

3. THAT amendments to the rules of the Employee Share Option Scheme be approved.

By order of the board
Simon Olsen
Company Secretary

Registered Office:
39 Parkside
Cambridge CB1 1PN

26 February 2010

Explanatory Note

The effect of Resolutions numbered 1 and 2 is to give the directors, respectively, authority to allot shares and authority to allot equity securities for cash without the need first to offer such shares to existing shareholders.

Notes

1. Holders of ordinary shares, or their duly appointed representatives, are entitled to attend and vote at the GM. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A shareholder can appoint the Chairman of the meeting or anyone else to be his/her proxy at the meeting. A proxy need not be a shareholder. More than one proxy can be appointed in relation to the GM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that shareholder. To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act. The box on the Proxy Form must also be ticked to indicate that the proxy instruction is one of multiple instructions being given. All Proxy Forms must be signed and, to be effective, must be lodged with the company's registrar so as to arrive not later than 48 hours before the time of the meeting, or in the case of an adjournment 48 hours before the adjourned time.
2. The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described in note 3) will not prevent a shareholder attending the GM and voting in person if he/she wishes to do so.
3. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita (ID RA10) not later than 48 hours before the time fixed for the GM. 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 Capita is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. 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.
4. Only shareholders whose names appear on the register of members of the Company as at 48 hours before the time of the meeting shall be entitled to attend the GM either in person or by proxy and the number of ordinary shares then registered in their respective names shall determine the number of votes such persons are entitled to cast on a poll at the GM.
5. In Accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members at 6.00 pm on the day which is two days before the day of the meeting or, if the meeting is adjourned, shareholders entered on the Company's register of members at 6.00 pm on the day two days before the date of any adjournment shall be entitled to attend and vote at the meeting.

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