

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000. All Shareholders are strongly advised to consult their professional advisers regarding their own tax position.

This Circular is not being sent to Shareholders with registered addresses in the United States, Australia, Canada, Japan or the Republic of South Africa, except where permitted by applicable law. Accordingly copies of this document or any accompanying documents must not be, directly or indirectly, distributed, forwarded or transmitted into the United States, Australia, Canada, Japan or the Republic of South Africa and all persons receiving such documents (including, without limitation, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise distribute, forward or transmit them in, into or from the United States, Australia, Canada, Japan or the Republic of South Africa.

If you have sold or otherwise transferred all of your Shares, please send this document (and accompanying Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred part of your registered holding of Shares, please retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The London Stock Exchange has not itself examined or approved the contents of this document. AIM is a market designed primarily for emerging or 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 UK Listing Authority.

Numis Securities, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority in the conduct of investment business, is acting for the Company in connection with the Tender Offer and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis Securities nor for providing advice in relation to the Tender Offer described in this document.

EREDENE CAPITAL PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5330839)

**TENDER OFFER FOR UP TO 12 PER CENT OF THE ISSUED ORDINARY SHARE CAPITAL OF
THE COMPANY,
PROPOSALS FOR CANCELLATION OF ADMISSION OF ORDINARY SHARES TO TRADING ON
AIM AND RE-REGISTRATION AS A PRIVATE LIMITED COMPANY
AND
NOTICE OF GENERAL MEETING**

This document should be read in conjunction with the accompanying Form of Proxy.

Applications by Shareholders to tender Shares for purchase under the Tender Offer may only be made on the applicable Tender Form or, in the case of Shares held in uncertificated form (that is, in CREST), by making an appropriate CREST instruction (a TTE Instruction).

The Tender Offer is not being made directly or indirectly in, into, or from the United States, Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Tender Form is not being sent to Shareholders with registered addresses in the United States, Australia, Canada, Japan or the Republic of South Africa and may not be distributed or sent in, into or from (whether by use of mails or by any means or instrumentality of interstate or foreign commerce) such jurisdictions and doing so may render invalid any

purported tender. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation to forward the Tender Form should read paragraph 9 of Part III of this document before taking any action.

The Tender Offer described in this document is conditional on approval from Shareholders, which is being sought at the General Meeting of the Company to be held at 10.a.m. on 19 November 2014 at the registered office of Eredene Capital PLC, Cayzer House, 30 Buckingham Gate, London SW1E 6NN. Notice of the General Meeting is set out at the end of this document.

Enclosed with this document is a Tender Form for use by Shareholders in connection with the Tender Offer. To be effective, such forms must be returned as indicated on the relevant form so as to be received as soon as possible and, in any event, not later than 1.00 p.m. on 2 December 2014.

You will also find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are asked to complete and sign the Form of Proxy in accordance with the instructions printed thereon. Your completed Form of Proxy should be returned by post to the Company's registrars at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, B63 3DA by not later than 10.a.m. on 17 November 2014 (being not less than 48 hours before the time for holding the meeting). The completion and return of a Form of Proxy does not prevent Shareholders from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

If you hold Shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Neville Registrars Limited (CREST Participant ID: 7RA11) so that it is received by CREST no later than 10.a.m. on 17 November 2014. The completion and return of a CREST Proxy Instruction will not preclude Shareholders who hold their Shares in CREST from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

Your attention is drawn to the sections headed "Action to be Taken" and "Risk Factors" on pages 9 and 12, respectively, of this document. Before deciding on what action to take you should fully consider all the information in this document.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of CREST Proxy Instruction for the General Meeting	10.00 a.m. 17 November 2014
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. 17 November 2014
General Meeting	10.00 a.m. 19 November 2014
Latest time and date for receipt of Tender Forms or TTE Instructions from Shareholders in respect of the Tender Offer	1.00 p.m. on 2 December 2014
Record Date for participation in the Tender Offer	close of business on 2 December 2014
Results of Tender Offer announced	3 December 2014
Settlement date – cheques despatched and CREST accounts credited with proceeds in respect of successfully tendered Shares and with unsold uncertificated Shares	4 December 2014
Last day of dealings of Shares on AIM	10 December 2014
Cancellation of the admission to trading on AIM of the Shares becomes effective	7.00 a.m. on 11 December 2014
Balance certificates despatched in respect of certificates tendered	week commencing 8 December 2014
Re-registration as a private company	17 December 2014

All references to time in this document are to London time and the dates and times given are based on the Company's current expectations and may be subject to change. Any changes to the expected timetable will be announced via a Regulatory Information Service.

DEFINITIONS

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

"Act"	the Companies Act 2006 (as amended from time to time);
"Australia"	the Commonwealth of Australia, its states, territories and possessions;
"AIM"	the market of that name, operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time;
"Basic Entitlement"	the entitlement of each Shareholder to tender for purchase by Numis Securities up to 12 per cent. of the Shares registered in such Shareholder's name on the Record Date, rounded down to the nearest whole number;
"Board" or "Directors"	the directors of the Company, whose names appear on page 10 of this document;
"Business Day"	any day the London Stock Exchange is open;
"Canada"	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof;
"Cancellation"	cancellation of admission of the Company's AIM securities to trading on AIM in accordance with Rule 41 of the AIM Rules;
"certificated" or "in certificated form"	not in uncertificated form;
"City Code"	The City Code on Takeovers and Mergers;
"Company" or "Eredene"	Eredene Capital PLC, a company incorporated in England and Wales with company registration number 5330839;
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities generated by Euroclear in accordance with the Regulations;
"CREST Manual"	the CREST Reference Manual referred to in agreements entered into by Euroclear;
"CREST Proxy Instruction"	an appointment of proxy made through CREST in accordance with Euroclear's specifications and the CREST Manual;

"Euroclear"	Euroclear UK and Ireland Limited, the operator of CREST;
"FCA"	the UK Financial Conduct Authority;
"FCA Rules"	the rules of the FCA;
"Form of Proxy"	the form of proxy accompanying this document for use by Shareholders at the General Meeting;
"GM" or "General Meeting"	the general meeting of the Company to be held at the registered office of Eredene Capital PLC, Cayzer House, 30 Buckingham Gate, London SW1E 6NN at 10.00 a.m. on 19 November 2014 (notice of which is set out at the end of this document);
"Group"	the Company and its subsidiaries;
"Japan"	Japan, its cities, prefectures, territories and possessions;
"London Stock Exchange"	London Stock Exchange plc;
"Net Asset Value" or "NAV"	the total value of all of the assets of the Company less its liabilities as determined by the Board and calculated in accordance with the Company's accounting policies;
"Notice"	the notice of the General Meeting which is set out at the end of this document;
"Numis Securities"	Numis Securities Limited, which is authorised and regulated in the United Kingdom by the FCA in the conduct of investment business;
"Ordinary Shares"	the ordinary shares of 10 pence each in the capital of the Company;
"Overseas Person"	a Shareholder who is a citizen or national of, or resident in, a jurisdiction outside the United Kingdom or a custodian, nominee or trustee for a citizen, national or resident of a jurisdiction outside the United Kingdom;
"Panel"	the Panel on Takeovers and Mergers;
"Re-registration"	the re-registration of the Company as a private limited company;
"Record Date"	the close of business on 2 December 2014;
"Register"	the register of members of the Company;
"Registrars"	Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA;

“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended);
“Regulatory Information Service”	a service approved by the FCA for distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website;
“Republic of South Africa”	the Republic of South Africa, its territories and possessions;
“Repurchase Agreement”	the agreement dated 3 November 2014 between the Company and Numis Securities relating to the repurchase by the Company through the facilities of the London Stock Exchange of the Shares purchased by Numis Securities pursuant to the Tender Offer, as summarised in paragraph 2 of Part V of this document;
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice and a reference to a “Resolution” shall be construed accordingly;
“Restricted Territories”	Australia, Canada, Japan, the Republic of South Africa and the United States;
"Shareholders"	the holders of Ordinary Shares and the term "Shareholder" shall mean any one of them;
“Shares”	the Ordinary Shares;
“Tender Form”	the tender form accompanying this document for use by Shareholders in connection with the Tender Offer;
“Tender Offer”	the invitation by Numis Securities to Shareholders (other than those resident in, or citizens or nationals of, any of the Restricted Territories) to tender, in aggregate, up to 29,538,745 Shares, representing 12 per cent. of the Company’s issued Shares as at the date of this document for purchase at the Tender Price, on the terms and subject to the conditions set out herein;
“Tender Price”	the price per Share at which Shares will be purchased pursuant to the Tender Offer, being 10 pence;
“Terms and Conditions”	has the meaning given to it under the heading “The Tender Offer” on page 13 of this document;
“TFE Instruction”	a transfer from escrow instruction (as defined in the CREST Manual);
“TTE Instruction”	a transfer to escrow instruction (as defined in the CREST Manual);
“uncertificated” or “in uncertificated form”	recorded on the Register as being held in uncertificated form in CREST and title to which, by

virtue of the CREST Regulations, may be transferred by means of CREST;

"United Kingdom" or "UK"

the United Kingdom of Great Britain and Northern Ireland; and

“United States” or “US”

the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

All references to legislation in this document are to English legislation unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Any reference to any provision of any legislation shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender. All references to time in this document are to London time. All references in this document to "pounds Sterling", "pence", or "p" are to the lawful currency of the United Kingdom.

ACTION TO BE TAKEN

You are not under any obligation to tender your Shares but to the extent that you tender Shares in respect of less than the whole of your Basic Entitlement (or do not tender Shares at all), other Shareholders may tender in excess of their Basic Entitlement.

Enclosed with this document are a Form of Proxy and a Tender Form. If you do not wish to tender any of your Shares, do not complete and return the Tender Form.

Whether or not you wish to tender any of your Shares under the Tender Offer, you are requested to complete and return your Form of Proxy in accordance with the instructions therein so as to be received as soon as possible and, in any event, not later than the times and dates specified on page 4 of this document.

Full details of the action to be taken are set out in this document and in the instructions on the respective forms. You should read the whole of this document which contains the terms of the Tender Offer. The attention of Overseas Persons is drawn to the section headed "Overseas Persons" in paragraph 9 of Part III of this document.

Shareholder Helpline

If you have any queries in relation to your Shareholding(s), please call Neville Registrars Limited on 0121 585 1131 (or, if you are calling from outside the United Kingdom, +44 121 585 1131). The helpline is available from 9.00 a.m. to 5.00 p.m. Monday to Friday (except bank holidays). Calls to this number from inside the United Kingdom are charged at your service provider's standard rate (charges may vary). Calls to the above international number from outside the United Kingdom are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Please note that, for legal reasons, the Shareholder Helpline is only able to provide information contained in this document, information relating to the Company's register of members and information regarding completion of forms and is unable to give advice on the merits of the Tender Offer or to provide legal, financial, tax or investment advice.

If you are in any doubt about what action to take you should seek your own personal financial advice from your independent financial adviser, stockbroker, solicitor, accountant, bank manager or independent adviser authorised under the Financial Services and Markets Act 2000.

PART I
LETTER FROM THE CHAIRMAN OF EREDENE CAPITAL PLC

EREDENE CAPITAL PLC
(Registered in England and Wales with registered number 5330839)

Directors

Registered Office

Struan Robertson, Non-Executive Chairman

Cayzer House
30 Buckingham Gate
London SW1E 6NN
United Kingdom

The Hon Charles Cayzer, Non-Executive Director

Robert Arnold, Non-Executive Director

Dear Shareholders

3 November 2014

Tender Offer for up to 12 per cent. of the issued ordinary share capital of the Company and proposals for cancellation of Admission to trading of the Shares on AIM and Re-Registration as a private limited company and Notice of General Meeting

1. Introduction

The Board has today announced the following proposals:

- a Tender Offer for up to 12 per cent. of the Company's issued shares at 10 pence per Share;
- the proposed cancellation of the admission to trading of the Shares on AIM; and
- the proposed re-registration of the Company as a private limited company.

The General Meeting has been convened for 10.00 a.m. on 19 November 2014, at which Shareholders will be asked to consider and if thought fit, to approve the Resolutions in order to implement the Cancellation and the Re-registration. The Notice convening the General Meeting at which the Resolutions will be proposed is set out at the end of this document. Pursuant to Rule 41 of the AIM Rules, the Directors have notified the London Stock Exchange of the date of the proposed Cancellation.

2. Information on Eredene

Eredene is an independent investment company registered in England and Wales, focussed on investments in Indian infrastructure and in particular on port services and logistics in India.

The Company previously announced on 13 July 2012 that it will not make any investments in new projects, and that it has started to extract value from its portfolio by embarking on an orderly sale of its assets in India with the aim of returning proceeds to Shareholders. As it sells down stakes in its remaining investments, the

Company intends to make further phased returns of capital to Shareholders, as part of its realisation strategy.

3. The Tender Offer

Introduction

As at 31 March 2014, the Company had aggregate cash balances of £1.5m, having returned £15.3 million to shareholders in August 2012, received £8.2 million from the sale of Ocean Sparkle in June 2013 and returned £19.9 million to shareholders in October 2013.

As at 30 September 2014, the Company had aggregate cash balances of £5.5 million, having received £1.9 million from the sale of a 23 per cent. stake in Sattva CFS & Logistics in July 2014 and £3.0 million from the sale of Aboyne Mauritius Limited which held 100 per cent. of Matheran Realty Pte Ltd and Gopi Resorts Pte Ltd.

The Company therefore intends to proceed with the Tender Offer in order to distribute to Shareholders approximately £3m, with the remainder being set for possible desirable follow-on investments in its portfolio and to meet the Company's costs and contingencies. It is envisaged that, following the Tender Offer, the Company will return further surplus cash to Shareholders as and when further disposals are made.

The Tender Offer is designed to enable those Shareholders (other than certain Overseas Persons) who wish to realise Shares or their beneficial interest in Shares (as the case may be) to do so. Shareholders who successfully tender their Shares will receive 10 pence per Share. Further details of the Tender Offer are set out in Part III of this document.

Benefits of the Tender Offer

The Board believes that the Tender Offer on the terms set out here and in Part III of this document is in the interests of Shareholders as a whole because:

- a tender offer for up to 12 per cent. of the Shares in issue provides an opportunity for an exit for those Shareholders who wish to receive cash; and
- a tender offer conducted at 10 pence represents a premium to the prevailing share price of 4.75 pence as at close of trading on 31 October 2014 (being the latest practicable date prior to the publication of this document).

Shareholders are not obliged to tender any Shares and, if they do not wish to participate in the Tender Offer, Shareholders should not complete or return their Tender Form.

The key points of the Tender Offer are as follows:

- the Tender Offer is for up to 12 per cent. of the Shares in issue as at the Record Date;
- Shareholders (other than certain Overseas Persons) will be entitled to tender up to 12 per cent. of the Shares they hold as at the Record Date (their "Basic Entitlement");
- Shareholders will be able to tender additional Shares but such excess tenders will only be satisfied to the extent that other Shareholders tender less than their aggregate Basic Entitlements, and will be satisfied on a pro rata basis. Tenders will be rounded down to the nearest whole number of Shares;
- the Tender Price is 10 pence per Share;
- the Tender Price will be paid to Shareholders in Sterling and will be effected by the despatch of cheques or the crediting of CREST accounts as appropriate; and
- any Shares tendered will be cancelled.

The Tender Offer is being made by Numis Securities. Numis Securities will purchase the Shares tendered as principal and, following the completion of all such purchases, will sell the relevant Shares on to the Company pursuant to the Repurchase Agreement at the Tender Price by way of a market transaction.

The repurchase of Shares by the Company under the Tender Offer will be funded from the Company's cash resources, using the special reserve created by the Court-approved cancellation of the Company's share premium account and capital redemption reserve carried out by the Company in 2013.

Conditions

At the Annual General Meeting of the Company held on 5 September 2014, the Shareholders passed a resolution authorising the Company to make one or more market purchases (within the meaning of the Act) of the Shares on AIM, provided (among other things) that the maximum aggregate number of Shares to be purchased is limited to 15 per cent. of the Company's issued ordinary issued share capital at the date of passing of the resolution and the minimum price which may be paid for such Shares is 10 pence per Share (exclusive of expenses). The Tender Offer will be made in accordance with such authority and therefore no further Shareholder approval is required for the Tender Offer.

Implementation of the Tender Offer is conditional upon Numis Securities being satisfied that the Company has sufficient funds available to meet its obligations under the Repurchase Agreement. In addition, the Tender Offer may be postponed or terminated in certain other circumstances as set out in paragraph 2.3 of Part III of this document.

The Tender Offer is not conditional on the approval of the Cancellation and the Re-registration at the General Meeting.

Risk factors

In considering the Tender Offer, Shareholders should have regard to the following risk factors:

- In order to pay the consideration to which Shareholders are entitled pursuant to valid tenders of Shares accepted by Numis Securities (and which the Company will then be obliged to repurchase from Numis Securities), the Company will use a significant amount of its available cash and other liquid funds.
- As a result of the Tender Offer, the number of Shares in issue will be reduced and the Company will reduce in size. As a result, the fixed costs of the Company will be spread over fewer Shares.
- Shareholders tendering Shares for sale under the Tender Offer will receive the Tender Price, which may be less than the price at which they bought their Shares.
- Tender Forms and TTE Instructions, once submitted, are irrevocable. The price of the Shares and the Company's Net Asset Value may rise or fall following submission of a Tender Form or TTE Instruction. After settlement of a TTE Instruction, the Shareholder will not be able to access the Shares concerned in CREST for any transaction or for charging purposes.

The risk factors above are those considered by the Board to be material to the Tender Offer at the date of this document; additional risks and uncertainties that are not currently known or are not currently considered material may emerge or become material.

Overseas Persons

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the relevant overseas jurisdictions.

Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals

of, or resident in, a jurisdiction other than the United Kingdom should read carefully paragraph 9 of Part III of this document.

It is the responsibility of all Overseas Persons to satisfy themselves as to the observance of any legal requirements in their jurisdiction including, without limitation, any relevant requirements in relation to the ability of such persons to complete and return a Form of Proxy or Tender Form or to make a TTE Instruction.

The Tender Offer is not being made directly or indirectly in, into, or from the United States, Australia, Canada, Japan or the Republic of South Africa, except where permitted by applicable law. Accordingly, the Tender Form is not being sent to Shareholders with registered addresses in the United States, Australia, Canada, Japan or the Republic of South Africa and may not be distributed or sent in, into or from (whether by use of mails or by any means or instrumentality of interstate or foreign commerce) such jurisdictions and doing so may render invalid any purported tender. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation to forward the Tender Form should read paragraph 9 of Part III of this document before taking any action.

Any Shareholder who is unable to give the warranties set out in paragraphs 6.1.9, 6.1.10 and 6.1.11 in Part III of this document will be deemed not to have tendered their Shares pursuant to the Tender Offer and their Tender Forms may be rejected.

Other

The attention of Shareholders is drawn to the letter from Numis Securities set out in Part II of this document and to Part III of this document which, together with the accompanying Tender Form, constitute the terms and conditions (the “Terms and Conditions”) of the Tender Offer.

Details of how to tender Shares can be found in paragraph 4 of Part III of this document.

4. Background to and reasons for the Cancellation and Re-registration

In the Preliminary Results announcement of 12 August 2014, the Board said that it was considering the cancellation of the admission of the Company’s shares to trading on AIM at some future date in order to further reduce operating costs and further achieve its divestment strategy.

The Board believes that the Company's divestment strategy, as referred to in section 2 above, will be better achieved as a private company, without the regulatory, disclosure and administrative processes required of a publicly listed company.

In addition, the Board is of the view that the Cancellation will further reduce the recurring administrative costs associated with maintaining its AIM listing.

The Board has therefore concluded that the commercial disadvantages and costs of maintaining admission to trading on AIM at a time when the Company is completing its realisation strategy, outweigh the potential benefits and that it is therefore no longer in the Company's or its Shareholders' best interests to remain traded on AIM.

Following the proposed Cancellation, the Directors consider that there is little benefit to maintaining the Company’s status as a public limited company together with the extra costs and administrative burdens associated with such status.

The main advantage to the Company of re-registering as a private limited company relates to its ability to effect a capital reduction in the future in order to create distributable reserves and return value to Shareholders, in keeping with its current realisation strategy. The procedure involved in effecting a capital reduction for a private limited company is simpler and more cost effective than that which applies to a public limited company.

(where a court process is involved).

The principal effects that Cancellation would have on Shareholders include the following:

- the Company will cease to retain a nominated adviser and broker;
- the Cancellation might have either positive or negative taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately;
- there would no longer be a formal market mechanism enabling Shareholders to trade their Shares on AIM or any other recognised market or trading exchange;
- while the Shares will remain freely transferable, they may be more difficult to sell compared to shares of companies traded on AIM. It may also be more difficult for Shareholders to determine the market value of their shareholdings in the Company at any given time, which could adversely affect their value;
- the Company will no longer be subject to the AIM Rules. Shareholders will therefore no longer be afforded the protections given by the AIM Rules. As such the Company would not be bound to:
 - make any public announcements of material events, nor to announce interim or final results;
 - comply with any of the corporate governance practices applicable to AIM companies;
 - be subject to the Disclosure and Transparency Rules and, among other things, will no longer be required to disclose major shareholders in the Company;
 - announce substantial transactions and related party transactions; or
 - comply with the requirement to obtain shareholder approval for reverse takeovers, changes to the Company's investing policy and fundamental changes in the Company's business.

The Company will however remain subject to the Act, which mandates shareholder approval for certain matters. The Company will also continue to be subject to the City Code for the period of ten years from the date of Cancellation.

The Company will continue to retain the services of its Investment Manager, Ocean Dial Asset Management Limited.

Notwithstanding the Cancellation, the Company will continue to prepare and send to shareholders audited annual reports and accounts and to hold annual general meetings and other general meetings in accordance with the applicable statutory requirements and the Company's articles of association.

The Board intends to continue to provide an investor relations website and to post portfolio updates on that website from time to time, although Shareholders should be aware that there will be no obligation on the Company to include all of the information required under AIM Rule 26 and to update the website as required under the AIM Rules.

Shareholders should be aware that if the Cancellation takes effect, they will at that time cease to hold shares in a quoted company and will become shareholders of an unquoted company which will significantly reduce the marketability and liquidity of the Company shares and the principal effects referred to above will automatically apply to the Company from the date of the Cancellation.

5. Process for Cancellation

Rule 41 of the AIM Rules requires an AIM company that wishes the London Stock Exchange to cancel the admission of its Shares to trading on AIM to notify such intended cancellation and separately inform the London Stock Exchange of its preferred cancellation date at least twenty Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified AIM of the Company's intention to cancel the Company's admission of the Shares to trading on AIM.

The Cancellation is also conditional upon the consent of not less than 75 per cent. of votes cast by Shareholders at a general meeting. The Notice of General Meeting at the end of this document contains Resolution 1 which

proposes that the Company's admission to trading on AIM be cancelled.

If Resolution 1 is passed at the General Meeting, the Cancellation will be effective at 7.00 a.m. on 4 December 2014.

The Shares will remain eligible for settlement in CREST. Accordingly, Shareholders will continue to be able to hold their shares in CREST after Cancellation.

6. Process for the Re-registration

Assuming Resolution 2 to approve the Re-registration is passed, the Company intends to make an application to be re-registered as a private limited company under the Act by the name of Eredene Capital Limited.

Under the Act, as part of the Re-registration, the Company is required to make such changes to its articles of association as are required in connection with the Company becoming a private company limited by shares. Resolution 2 includes the adoption of new articles of association. The proposed new articles of association adopt the model articles for private companies limited by shares, but retain certain provisions from the existing articles of association, including the retirement of directors by rotation and the requirement to hold an annual general meeting.

The Re-registration requires the approval of not less than 75 per cent. of the votes cast by Shareholders at a general meeting.

7. Trading in the Shares after Cancellation

The Company intends to put in place an electronic off-market dealing facility for the Shares which will be administered by Asset Match, a firm authorised and regulated by the Financial Conduct Authority. The facility will allow Shareholders to trade their Shares on a matched bargain and arm's length basis via periodic auctions to be held every three months.

The facility operates under its own code of practice which governs the behaviour of participants and the running of the auctions. This code of practice is available to view at www.assetmatch.com and requires that among other things the Company:

- has management information systems and a sound system of internal controls appropriate to its size, so as to provide a reasonable basis for it to make informed decisions about its financial position and prospects;
- has adopted a code of dealings in relation to the Shares for directors and their connected persons and relevant staff, based on the UK Listing Authority's Model Code on directors' dealings; and
- provides all shareholder communications and submissions made to Companies House to be made available on the Company's page on the Asset Match website.

It is intended that this facility will be put in place shortly after the date of Cancellation, and will be available for at least one year from the date of Cancellation and reviewed thereafter.

Further details will be made available after Cancellation on the Company's website at www.eredene.com and at www.assetmatch.com.

8. Future Strategy and Investing Policy

The Company was established as an investing company and sought admission to trading on AIM in February 2005 with a strategy to seek investment opportunities in India and to raise capital in order to fulfil its Investing Policy.

The Company does not currently envisage making any further investments in new projects and intends to concentrate on extracting maximum value from the existing portfolio. All future substantive realisations are also expected to give rise to a return of capital to Shareholders.

9. Taxation

The following paragraphs are intended only as a general guide to certain aspects of current UK tax law and HM Revenue & Customs' published practice, and do not constitute tax advice. They are of a general nature and only apply to Shareholders who are resident or ordinarily resident in the United Kingdom (except where indicated) and who hold their Shares beneficially as an investment.

Shareholders who sell Shares in the Tender Offer should, subject to the following, be treated as having sold their Shares in the normal way and may, depending on their individual circumstances, incur a liability to taxation on chargeable gains. Individual Shareholders and trustee Shareholders in the United Kingdom should be aware that HM Revenue & Customs may seek to treat part of the disposal proceeds of their Shares as income under the provisions of Chapter 1 of Part 13 ITA 2007, although it is not expected that these provisions would apply to sales made for genuine commercial reasons.

The attention of Shareholders is drawn to Part IV of this document which sets out a general guide to certain aspects of current United Kingdom taxation law and HM Revenue & Customs' published practice.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate professional adviser.

The Cancellation may also have certain tax consequences for Shareholders and those Shareholders who are in any doubt about their tax position should consult their professional advisers as to their tax position before taking any action relating to the Cancellation.

10. General Meeting

The Notice convening the General Meeting is set out at the end of this document. The General Meeting has been convened for 10.00 a.m. on 19 November 2014, at the registered office of Eredene Capital PLC, Cayzer House, 30 Buckingham Gate, London SW1E 6NN.

The Resolutions to be proposed at the General Meeting are:

- to approve the Cancellation; and
- to approve the Re-registration.

The approval of 75 per cent. of those Shareholders voting in person or by proxy in favour is required in order to pass each of the Resolutions.

11. Action to be taken

Form of Proxy / CREST Proxy Instruction

Shareholders will find enclosed with this document a Form of Proxy to be used in connection with the General Meeting. Whether or not you intend to attend the General Meeting, please complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it by post to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, B63 3DA so as to be received not later than 10.00 a.m. on 17 November 2014 or, if the meeting is adjourned, no later than 48 hours before the time for holding the adjourned meeting. Neither the completion of the Form of Proxy nor its return will preclude Shareholders from attending and voting in person at the General Meeting, should they wish to do so.

If you hold Shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Neville Registrars Limited (CREST Participant ID: 7RA11) so it is received by CREST no later than 10.00 a.m. on 17 November 2014 or, if the meeting is adjourned, no later than 48 hours before the time for holding the adjourned meeting.. The completion and return of a CREST Proxy Instruction will not preclude Shareholders who hold their Shares in CREST from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

If you have any questions relating to this document or the completion and return of the Form of Proxy or CREST Proxy Instruction, please call Neville Registrars Limited on telephone number 0121 585 1131 or, if telephoning from outside the United Kingdom, on +44 0121 585 1131. Please note that no advice on the contents of this document nor on the matters to be voted upon at the General Meeting nor any financial, legal or tax advice can be given by Neville Registrars Limited and accordingly for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser.

Tender Form

Shareholders who wish to participate in the Tender Offer, and who hold their Shares in certificated form, should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form and Share certificate(s) and/or other documents of title to be received by post or by hand (during normal business hours only) to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 28 November 2014. A pre-paid envelope for use in the United Kingdom only is enclosed for your convenience.

Shareholders who hold their Shares in uncertificated form (that is, in CREST) should arrange for the relevant Shares to be transferred to escrow by sending a TTE Instruction in accordance with the provisions of paragraph 4.2.2 of Part III of this document.

If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

Copies of documents

This document and the proposed new articles of association of the Company are available in electronic form on the Company's website at www.eredene.com. Copies will also be made available for inspection at the Company's registered office at Cayzer House, 30 Buckingham Gate, London SW1E 6NN during normal business hours on any Business Day from the date of this document until the date of the GM and will also be available for inspection at the General Meeting.

12. Letters of intent

The Company has obtained non-binding letters of intent to vote in favour of the Resolutions from its three largest Shareholders being Raju Shakla, Caledonia Investments plc and Rebelco NV (whose holdings amount in aggregate to 56.76 per cent. of the issued share capital of the Company).

The Hon Charles Cayzer, a director of Eredene Capital PLC, is also a Non-Executive director of Caledonia Investments plc and is Chairman of the Cayzer Trust, which has indicated its intention to vote in favour of the Resolutions. The Cayzer Trust holds approximately 1.78 per cent of the existing issued share capital of the Company.

13. Recommendation

The Directors consider that the Tender Offer, the Cancellation and the Re-registration are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors intend to vote in favour, or procure the vote in favour, of the Resolutions at the General Meeting in respect of their own beneficial holdings of Shares which, in aggregate, amount to 61,690 Shares, representing approximately 0.025 per cent. of the issued share capital of the Company at the date of this letter.

The Directors can make no recommendation to Shareholders in relation to participation in the Tender Offer. However, Shareholders should note that the Directors intend to tender their Basic Entitlement. Whether or not Shareholders decide to tender their Shares will depend on, among other things, their own individual circumstances including their tax position. Shareholders should be aware that the Tender Offer is part of the Company's realisation strategy which is expected ultimately to result in the full return of capital to Shareholders.

Yours Sincerely,

Struan Robertson

Non-Executive Chairman

PART II
LETTER FROM NUMIS SECURITIES

Numis Securities Limited
10 Paternoster Square London EC4M 7LT

To: Shareholders in Eredene Capital PLC

3 November 2014

Dear Sir or Madam

1. Tender Offer

As explained in the letter from the Chairman of the Company in Part I of this document, Shareholders (other than certain Overseas Persons, as described in more detail in paragraph 9 of Part III of this document) are being given the opportunity to tender their Shares under the Tender Offer. The purpose of this letter is to set out the principal terms and conditions of the Tender Offer.

Numis Securities hereby invites Shareholders (other than certain Overseas Persons) on the Register on the Record Date to tender Shares for purchase by Numis Securities for cash at a price of 10 pence per Share. The Tender Offer is subject to the Terms and Conditions set out in Part III of this document and in the accompanying Tender Form.

Shareholders will be entitled to sell as little or as much of their shareholding as they wish, save that where Shareholders tender Shares in excess of their Basic Entitlement, such tender shall, to the extent that other Shareholders tender Shares in respect of less than the whole of their Basic Entitlement (or do not tender any Shares), be satisfied pro rata in proportion to the excess over the Basic Entitlement tendered. Tenders will be rounded down to the nearest whole number of Shares.

The Basic Entitlement shown on a Shareholder's personalised Tender Form has been calculated on the basis of the number of Shares registered in the name of that Shareholder at close of business on 31 October 2014. If a Shareholder buys or sells Shares between that date and the Record Date, being 2 December 2014, his Basic Entitlement will change and the Shareholder must notify the Company's Registrars on 0121 585 1131 (or, if calling from outside the UK, +44 121 585 1131) immediately of such change and, if he holds his shares in certificated form, he will be supplied with a new Tender Form reflecting his revised Basic Entitlement figure.

The total number of Shares to be purchased under the Tender Offer will not in any event exceed 29,538,745 Shares, representing 12 per cent. of the Company's issued Shares as at the date of this document.

2. Procedure for tendering Shares

Shareholders who hold their Shares in certificated form and who wish to tender Shares should complete the Tender Form in accordance with the instructions set out therein and return the completed form to be received by post or by hand (during normal business hours only) to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible and, in any event, so as to be received not later than 1.00 p.m. on 2 December 2014. A pre-paid envelope for use in the United Kingdom only is enclosed for your convenience.

Shareholders who hold their Shares in certificated form should also return the Share certificate(s) and/or other documents of title in respect of the Shares tendered with their Tender Form. Shareholders who hold their Shares in uncertificated form (that is, in CREST) should not complete a Tender Form and should instead arrange for

their Shares to be transferred to escrow as described in paragraph 4 of Part III of this document. Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.

Full details of the procedure for tendering are set out in Part III of this document and the Tender Form.

By signing and returning the Tender Form or inputting a TTE Instruction, Shareholders will be deemed to have appointed Neville Registrars Limited as their agent in respect of the sale of Shares to Numis Securities under the Tender Offer. Numis Securities will therefore issue a contract note to Neville Registrars Limited on behalf of all Shareholders for the sale of Shares under the Tender Offer.

3. Validity of tenders

Tender Forms that are received after the deadlines specified above or which at that time are incorrectly completed and/or not accompanied by all relevant documents or instructions may be rejected and returned to Shareholders together with any accompanying Share certificate(s) and/or other document(s) of title, in each case at the risk of Shareholders.

Numis Securities reserves in its sole discretion the right to treat as valid Tender Forms which are not entirely in order and/or which are not accompanied (in the case of Shares held in certificated form) by the relevant Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

4. Overseas Persons

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the overseas jurisdiction. Shareholders who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom, should read paragraph 9 of Part III of this document carefully.

5. Conditions

The Tender Offer is conditional on the matters specified in paragraph 2 of Part III of this document.

6. Termination or postponement of Tender Offer

The Tender Offer may be terminated or postponed in the circumstances described in paragraph 2 of Part III of this document.

7. Settlement

Subject to the Tender Offer becoming unconditional, payment of the consideration due to Shareholders whose tenders under the Tender Offer have been accepted is expected to be despatched (by cheque or by a CREST payment, as appropriate) on 4 December 2014.

8. The City Code on Takeovers and Mergers

Shareholders should note the important information in paragraph 1 of Part V of this document relating to certain provisions of the City Code.

9. Notification of shareholding

Please note that, whether or not you tender your Shares, a change in your interests in the Company following completion of the Tender Offer may give rise to an obligation to make a notification of your revised shareholding to the Company. Please refer to paragraph of Part III of this document for more details.

Your attention is drawn to the information contained in the rest of this document, including, in particular, the risk factors and Terms and Conditions of the Tender Offer in Parts I and III, respectively, of this document.

Yours faithfully

Numis Securities Limited

PART III
TERMS AND CONDITIONS OF THE TENDER OFFER

1. Tenders

- 1.1 All Shareholders (other than certain Overseas Persons) may tender Shares for purchase by Numis Securities as principal, subject to the Terms and Conditions set out in this document and in the accompanying Tender Form (which together with this document constitute the Tender Offer). Shareholders are not obliged to tender any Shares.
- 1.2 The Tender Offer will be made at the Tender Price and the consideration for each tendered Share acquired by Numis Securities pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 5 of this Part III.
- 1.3 Upon the Tender Offer becoming unconditional and unless the Tender Offer has been (and remains) suspended or has lapsed or has been terminated in accordance with the provisions of paragraph 2 of this Part III, Numis Securities will accept the offers of Shareholders validly made in accordance with this Part III, subject as mentioned below, on the following basis:
 - 1.3.1 each Shareholder (other than certain Overseas Persons) will be entitled to sell to Numis Securities their Basic Entitlement; and
 - 1.3.2 a facility is available under which Shareholders (other than certain Overseas Persons) may tender Shares in excess of their Basic Entitlement. Such excess tender requests will be satisfied to the extent that other Shareholders tender Shares in respect of less than the whole of their Basic Entitlement (or do not tender Shares at all), pro rata in proportion to the amount in excess of the Basic Entitlement tendered (rounded down to the nearest whole number of Shares).
- 1.4 A maximum number of 29,538,745 Shares, representing 12 per cent. of the existing issued Shares as at the date of this document, will be acquired by Numis Securities under the Tender Offer. If more than 29,538,745 Shares are tendered for purchase such tenders shall be rounded down pro rata such that the aggregate number of Shares deemed to be tendered shall equal, in aggregate, 29,538,745 Shares.
- 1.5 The Basic Entitlement shown on a Shareholder's personalised Tender Form has been calculated on the basis of the number of Shares registered in the name of that Shareholder at close of business on 31 October 2014. If a Shareholder buys or sells Shares between that date and the Record Date, being 2 December 2014, his Basic Entitlement will change and the Shareholder must notify the Company's Registrars on 0121 585 1131 (or, if calling from outside the UK, +44 121 585 1131) immediately of such change and, if he holds his shares in certificated form, he will be supplied with a new Tender Form reflecting his revised Basic Entitlement figure.

2. Conditions, suspension and termination

- 2.1 The Tender Offer is conditional on the following (together the "Conditions"):
 - 2.1.1 Numis Securities being satisfied that the Company has in its control or to its order the aggregate amount payable under the Repurchase Agreement; and
 - 2.1.2 the Tender Offer not having been terminated in accordance with this paragraph 2 of this Part III prior to the fulfilment of the condition referred to in sub-paragraph 2.1.1 above.
- 2.2 Numis Securities will not purchase Shares pursuant to the Tender Offer unless the Conditions have been satisfied in full or waived. The Conditions, other than that contained in sub-paragraph 2.1.1 above, may not be waived by Numis Securities.

- 2.3 If the Company (acting through the Directors) shall at any time prior to Numis Securities effecting the purchase as principal of the tendered Shares (in accordance with the settlement provisions outlined in paragraph 5 of this Part III) notify Numis Securities in writing that, in its reasonable opinion, either (i) there has occurred a change in national or international financial, economic, political or market conditions such that it has either become impractical or inappropriate for the Company to fund the repurchase of such of the Shares as are to be repurchased by it pursuant to the Repurchase Agreement without materially harming Shareholders as a whole or (ii) the completion of the purchase of Shares under the Tender Offer would have unexpected adverse fiscal consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, Numis Securities may either terminate the Tender Offer by written notice to the Company or postpone completion of the Tender Offer up until 31 December 2014, after which the Tender Offer, if and to the extent not then completed by reason of the postponement circumstances continuing, will lapse.

3. Tender Price

The Tender Price will be 10 pence per Share.

4. Procedure for tendering Shares

4.1 Completion of Tender Forms

To tender Shares, Shareholders who hold their Shares in certificated form must complete, sign and return the accompanying Tender Form with their Share certificate(s) (and/or other documents) of title in respect of the Shares tendered) in accordance with this paragraph 4 and the instructions printed on the Tender Form, which shall be deemed to form part of the Tender Offer.

By signing and returning the Tender Form, Shareholders will be deemed to have appointed Neville Registrars Limited as their agent in respect of the purchase of Shares by Numis Securities. Numis Securities will therefore issue a contract note to Neville Registrars on behalf of all Shareholders whose Shares are so purchased and will remit the cash consideration to Neville Registrars Limited with instructions that such consideration be remitted to Shareholders in accordance with the instructions set out in the Tender Form.

Shareholders should complete separate Tender Forms for Shares held in certificated form but under different designations. Additional Tender Forms are available from Neville Registrars, Neville House Limited, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, telephone number 0121 585 1131 (or, if you are calling from outside the United Kingdom, +44 121 585 1131). The helpline is available from 9.00 a.m. to 5.00 p.m. Monday to Friday (except bank holidays). Calls to this number from inside the United Kingdom are charged at your service provider's standard rate (charges may vary). Calls to the above international number from outside the United Kingdom are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Please note that, for legal reasons, the Shareholder Helpline is only able to provide information contained in this document, information relating to the Company's register of members and information regarding completion of forms and is unable to give advice on the merits of the Tender Offer or to provide legal, financial, tax or investment advice.

If you are in any doubt about what action to take you should seek your own personal financial advice from your independent financial adviser, stockbroker, solicitor, accountant, bank manager or from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000.

If you hold Shares in uncertificated form (that is, in CREST), you may only tender such Shares by TTE Instruction in accordance with the procedures set out in paragraph 4.2.2 below and, if those Shares are held under different account IDs, you should send a separate TTE Instruction for each member account ID.

If you buy or sell any shares between 3 November 2014 and the Record Date of 2 December 2014, you should contact the Company's Registrars on 0121 585 1131 (or, if calling from outside the UK, +44 121 585 1131) immediately to determine your revised Basic Entitlement and, if you hold your shares in certificated form, you will be supplied with a new Tender Form reflecting the correct figure.

4.2 *Return of Tender Forms*

The completed and signed Tender Form should be sent to be received by post or by hand (only during normal business hours) at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. on 2 December 2014. A pre-paid envelope for use in the United Kingdom only is enclosed for your convenience. No Tender Forms received after that time will be accepted. No acknowledgement of receipt of documents will be given. Any Tender Form received in an envelope postmarked from outside the United Kingdom, or otherwise appearing to Numis Securities or its agents to have been sent from any jurisdiction outside the United Kingdom, may be rejected as an invalid tender.

Further provisions relating to Overseas Persons are contained in paragraph 9 of this Part III.

4.2.1 *Shares held in certificated form (that is, not in CREST)*

The completed and signed Tender Form should be accompanied by the relevant Share certificate(s) and/or other document(s) of title. If Share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with a stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by Neville Registrars Limited at the address detailed below not later than 1.00 p.m. on 2 December 2014 together with any Share certificate(s) and/or other document(s) of title that may be available, accompanied by a letter stating that the (remaining) Share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, not later than 1.00 p.m. on 2 December 2014.

Shareholders who have lost their Share certificate(s) and/or other document(s) of title should write to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, for a letter of indemnity in respect of the lost Share certificate(s) which, when completed in accordance with the instructions given, should be returned to Neville Registrars at the address referred to at the beginning of this paragraph 4.2 so as to be received not later than 1.00 p.m. on 2 December 2014.

4.2.2 *Shares held in uncertificated form (that is, in CREST)*

If the Shares which a Shareholder wishes to tender are held in uncertificated form, the Shareholder should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares which they wish to tender under the Tender Offer to an escrow balance, specifying Neville Registrars (in its capacity as a CREST receiving agent under its participant ID referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles not later than 1.00 p.m. on 2 December 2014.

If a Shareholder is a CREST sponsored member, they should refer to their CREST Sponsor before taking any action. A Shareholder's CREST Sponsor will be able to confirm details of such Shareholder's participant ID and the member account ID under which such Shares are held. In addition, only a Shareholder's CREST Sponsor will be able to send the TTE Instruction to CREST in relation to the Shares which they wish to tender. Shareholders should send (or, if they are a CREST sponsored member procure that their CREST Sponsor sends) a TTE Instruction to CREST which must be properly authenticated in accordance with CREST's specification and which must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- the number of Shares to be transferred to an escrow balance;

- the Shareholder's member account ID;
- the Shareholder's participant ID;
- the participant ID of the escrow agent, Neville Registrars, in its capacity as a CREST receiving agent. This is 7RA11;
- the member account ID of the escrow agent, Neville Registrars. This is EREDENE;
- the Corporate Action Number for the Tender Offer. This is allocated by CREST and can be found by viewing the relevant corporate action details in CREST;
- a contact name and telephone number in the shared note field on the TTE Instruction;
- the intended settlement date for the transfer to escrow. This should be as soon as possible and, in any event, not later than 1.00 p.m. on 2 December 2014;
- the corporate action ISIN of the Shares. This is GB00B064S565; and
- input with standard delivery instruction of priority 80.

After settlement of the TTE Instruction, a Shareholder will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding they will be held by Neville Registrars Limited as the Shareholder's agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional, Neville Registrars Limited will transfer the Shares which are accepted for purchase by Numis Securities to itself as the Shareholder's agent.

Shareholders are recommended to refer to the CREST Manual for further information on the CREST procedures outlined above.

Shareholders should note that CREST does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST Sponsor) to enable a TTE Instruction relating to their Shares to settle prior to 1.00 p.m. on 2 December 2014. In this connection Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An appropriate announcement will be made if any of the details contained in this paragraph 4.2.2 are altered.

4.3 *Deposits of Shares into, and withdrawals of Shares from, CREST*

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of Share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 2 December 2014.

4.4 *Validity of Tender Forms*

Notwithstanding the powers in paragraph 8.5 below, Numis Securities reserves the right to treat as valid only (in the case of Shares held in certificated form) Tender Forms which are received entirely in order by 1.00 p.m. on 2 December and which are accompanied by the relevant Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof or (in the case of Shares held in uncertificated form) the relevant TTE Instruction, in each case in respect of the entire number of Shares tendered. The Record Date for the Tender Offer is close of business on 2 December 2014.

Notwithstanding the completion of a valid Tender Form, the Tender Offer may be suspended, terminated or lapse in accordance with the Terms and Conditions set out in paragraph 2 of this Part III.

The decision of Numis Securities as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders.

If you are in any doubt about what action to take you should seek your own personal financial advice from your independent financial adviser, stockbroker, solicitor, accountant, bank manager or from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000.

Shareholders are reminded that, if they are a CREST sponsored member, they should contact their CREST Sponsor.

4.5 *General*

No acknowledgement of receipt of documents will be given. Any Tender Form in an envelope postmarked in the United States, Australia, Canada, Japan or the Republic of South Africa or otherwise appearing to Numis Securities or its agents to have been sent from the United States, Australia, Canada, Japan or the Republic of South Africa may be rejected as an invalid Tender.

Further information on Overseas Persons is contained in paragraph 9 of this Part III.

5. **Tender Offer settlement**

5.1 Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by Numis Securities is expected to be made on 4 December 2014 as follows:

5.1.1 *Shares held in certificated form (that is, not in CREST)*

Where an accepted tender relates to Shares held in certificated form, cheques for the consideration due will be despatched by Neville Registrars Limited by first class post to the person or agent whose name and address (outside the United States, Australia, Canada, Japan or the Republic of South Africa) is set out in Box 1 (or, if relevant, Box 3) of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named. All cash payments will be made in pounds Sterling by cheque drawn on a branch of a UK clearing bank.

5.1.2 *Shares held in uncertificated form (that is, in CREST)*

Where an accepted tender relates to Shares held in uncertificated form, the consideration due will be paid by means of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

5.2 If only part of a holding of Shares is sold pursuant to the Tender Offer or if, because of scaling back, any tendered Shares in excess of a Shareholder's Basic Entitlement are not purchased pursuant to the terms of the Tender Offer:

5.2.1 where the Shares are held in certificated form, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the unsold Shares; or

5.2.2 where the Shares are held in uncertificated form (that is, in CREST), the unsold Shares will be transferred by the escrow agent by means of a TFE Instruction to the original available balance from

which those Shares came.

6. Tender Form Representations and Warranties

6.1 Each Shareholder by whom, or on whose behalf, a Tender Form is executed or a TTE Instruction is inputted Irrevocably undertakes, represents, warrants and agrees to and with Numis Securities and the Company (so as to bind themselves, their personal representatives, heirs, successors and assigns) that:

- 6.1.1 the execution of the Tender Form or input of a TTE Instruction (which shall have effect as a tender under the Tender Offer) shall constitute an offer to sell to Numis Securities as principal such Shareholder's Basic Entitlement or, if relevant, such higher or lower number of Shares as is inserted in Box 1A or 1B of the Tender Form or deemed (in accordance with paragraph 7.1) to be tendered or included in the TTE Instruction, in each case on and subject to the Terms and Conditions set out or referred to in this document and the Tender Form, and that, once lodged, such offer shall be irrevocable;
- 6.1.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Numis Securities, Numis Securities as principal will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after 2 December 2014, including the right to receive all dividends and other distributions declared after that date;
- 6.1.3 the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Numis Securities as such Shareholder's attorney and/or agent ("Attorney"), and an irrevocable instruction to the Attorney to complete and execute all or any instruments of transfer and/or other documents at the Attorney's discretion in relation to the Shares referred to in sub-paragraph 6.1.1 above in favour of Numis Securities or such other person or persons as Numis Securities may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the Attorney, together with the Share certificate(s) and/or other document(s) relating to any such Shares held in certificated form, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest such Shares in Numis Securities or its nominee(s) or such other person(s) as Numis Securities may direct;
- 6.1.4 the input of the TTE instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of Neville Registrars as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent: (i) subject to the Tender Offer becoming unconditional, to transfer to Numis Securities by means of CREST (or to such person or persons as Numis Securities may direct) all of the Shares referred to in sub-paragraph 6.1.1 above; and (ii) if the Tender Offer does not become unconditional and lapses or is terminated, or such Shares include Shares which have not been successfully tendered under the Tender Offer, as promptly as practicable after the lapsing or termination of the Tender Offer, or the unsuccessful tender, to transfer the said Shares back to the original available balances from which those Shares came;
- 6.1.5 such Shareholder agrees to ratify and confirm each and every act or thing which may lawfully be done or effected by Numis Securities or any of its directors or officers or any person nominated by Numis Securities in the proper exercise of their powers and/or authorities hereunder;
- 6.1.6 such Shareholder will deliver to Neville Registrars Limited their Share certificate(s) and/or other document(s) of title in respect of such of the Shares referred to in sub-paragraph 6.1.1 above as are held in uncertificated form, or an indemnity acceptable to Numis Securities in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, not later than 1.00 p.m. on 2 December 2014;

- 6.1.7 the provisions of the Tender Form shall be deemed to be incorporated into the Terms and Conditions of the Tender Offer;
- 6.1.8 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Numis Securities to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 6.1.9 such Shareholder, if an Overseas Person, has fully observed any applicable legal requirements and the invitation under the Tender Offer may be made to them and may be accepted by him under the laws of the relevant jurisdiction;
- 6.1.10 such Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in or into the United States, Australia, Canada, Japan or the Republic of South Africa and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, electronically or telephonically) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Australia, Canada, Japan or the Republic of South Africa, that the Tender Form has not been mailed or otherwise sent in, into or from the United States, Australia, Canada, Japan or the Republic of South Africa and that such Shareholder is not accepting the Tender Offer from the United States, Australia, Canada, Japan or the Republic of South Africa;
- 6.1.11 such Shareholder is not accepting the Tender Offer from the United States, Australia, Canada, Japan or the Republic of South Africa;
- 6.1.12 on execution the Tender Form takes effect as a deed;
- 6.1.13 the execution and delivery of the Tender Form or the input of a TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer;
- 6.1.14 in the case of Shares held in uncertificated form (that is, in CREST) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5 of this Part III will, to the extent of the obligations so created, discharge fully any obligation of Numis Securities to pay to such Shareholder the cash consideration to which he is entitled under the Tender Offer; and
- 6.1.15 in the case of Shares in certificated form, the despatch of a cheque in respect of the Tender Price to a Shareholder at his registered address or such other address as is specified in the Tender Form will constitute a complete discharge by Numis Securities of its obligations to make such payment to such Shareholder.

A reference in this paragraph 6.1 to a Shareholder includes a reference to the person or persons executing the Tender Form or inputting (or procuring the inputting of) the TTE Instruction and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and to each of them.

7. Additional provisions

- 7.1 Each Shareholder may tender some of or all of their holding of Shares as at 2 December 2014 subject to the scaling back of tenders in excess of such Shareholder's Basic Entitlement on the basis provided in paragraph 1.4 above. If (i) Box 2 of the Tender Form is not completed; or (ii) in Numis Securities' determination (in its absolute discretion) Box 2 has not been validly completed, provided that the Tender Form is otherwise in order and accompanied by all other relevant documents, the tender may be accepted as a valid tender in respect of the whole of the tendering Shareholder's Basic Entitlement.
- 7.2 If a Shareholder does not return his Share certificate(s) and/or other documents of title by 1.00 p.m. on 2 December 2014, Numis Securities may deem (in its absolute discretion) that such Shareholder has only tendered the number of Shares in respect of which Share certificates have been received.

- 7.3 Shares acquired by Numis Securities as principal under the Tender Offer will be market purchases in accordance with the rules of the London Stock Exchange and the Act.
- 7.4 Shares sold by Shareholders pursuant to the Tender Offer will be acquired by Numis Securities together with all rights attaching thereto on or after 2 December 2014, including the right to receive all dividends and other distributions declared after that date. Shareholders will still be entitled to receive any dividends in respect of Shares tendered by them where the record date in respect of such dividends is earlier than 2 December 2014.
- 7.5 Unless extended, suspended or terminated in accordance with the provisions of this Part III, the Tender Offer will close at 1.00 p.m. on 2 December 2014 and it is expected that by 3 December 2014 the Company will make a public announcement of the total number of Shares tendered.
- 7.6 Each Shareholder who tenders or procures the tender of Shares will thereby be deemed to have agreed that, in consideration of Numis Securities agreeing to process their tender, such Shareholder will not revoke his tender or withdraw his Shares. Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.
- 7.7 Any omission to despatch this document or the Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 7.8 No acknowledgement of receipt of any Tender Form, Share certificate(s) and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.
- 7.9 All powers of attorney and authorities on the terms conferred by or referred to in this Part III or in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 7.10 All tenders must be made on the Tender Form duly completed in accordance with the instructions set out therein which constitute part of the terms of the Tender Offer or by inputting the appropriate TTE Instruction. A tender will only be valid when the procedures contained in these Terms and Conditions and, in the case of certificated shares, in the Tender Form are complied with. The Tender Offer and all tenders will be governed by and construed in accordance with English law. Execution and delivery of a Tender Form or the inputting of a TTE Instruction will constitute submission to the jurisdiction of the English Courts. All communications in respect of the Tender Offer will be in the English language.
- 7.11 If the Tender Offer does not become unconditional or is terminated, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer lapsing, to the person or agent whose name and address (outside the United States, Australia, Canada, Japan or the Republic of South Africa) is set out in Box1 of the Tender Form or, if none is set out, to the tendering Shareholder or, in the case of joint holders, the first named at their registered address. In the case of Shares held in uncertificated form, Neville Registrars Limited in its capacity as the escrow agent will, within 14 Business Days of the Tender Offer lapsing, give instructions to CREST to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances, Tender Forms and TTE Instructions will cease to have any effect.
- 7.12 Subject to paragraphs 8 and 9 below, the Tender Offer is open to Shareholders and will close at 1.00 p.m. on 2 December 2014. No Tender Form, Share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted.
- 7.13 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the terms of the Tender Offer.

- 7.14 Further copies of this document and the Tender Form may be obtained on request from Neville Registrars Limited at the address set out on page 1 of the Tender Form.
- 7.15 If Shareholders have any complaints, they should contact Neville Registrars Limited.
- 7.16 The decision of Numis Securities as to which Shares have been successfully tendered shall be conclusive and binding on all Shareholders.

8. Miscellaneous

- 8.1 Any changes to the terms, or any suspension, extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof no later than 1.00 p.m. on the Business Day following the date of such changes. Such an announcement will be released to a Regulatory Information Service. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company by Numis Securities to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to a Regulatory Information Service.
- 8.2 Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from Numis Securities by the Company on the Alternative Investment Market of the London Stock Exchange pursuant to the Repurchase Agreement and such Shares will subsequently be cancelled.
- 8.3 Tendering Shareholders will not be obliged to pay brokerage fees, commissions or transfer taxes or stamp duty in the UK on the purchase by Numis Securities as principal of Shares pursuant to the Tender Offer.
- 8.4 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by Numis Securities or the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 8.5 Numis Securities reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and may consider void and reject any Tender Form that does not, in Numis Securities' sole judgement, meet the requirements of the Tender Offer. Numis Securities also reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Shares held in certificated form) the relevant Share certificate(s) and/or other document(s) of title or an indemnity acceptable to Numis Securities in lieu thereof. In that event, for Shares held in certificated form, the consideration under the Tender Offer will only be despatched when the Tender Form is entirely in order and the Share certificate(s) and/or other document(s) of title or indemnities satisfactory to Numis Securities has/have been received. None of Numis Securities, the Company, the Registrars or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.
- 8.6 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this document.
- 8.7 Shareholders who are or become interested in 3 per cent. or more of the issued share capital of the Company or whose interest above 3 per cent. increases or decreases through any whole percentage point are obliged to notify the Company of their interests in Shares. In addition, in accordance with the AIM Rules, the Company is required to notify a Regulatory Information Service of such changes without delay.

Following completion of the Tender Offer and the Company's proposed purchase of Shares pursuant to the Repurchase Agreement, a Shareholder's interest in the Company's issued ordinary share capital may change giving rise to an obligation to make a notification or a further notification to the Company within two days of becoming aware of such change.

If a Shareholder is in any doubt as to whether they should make a notification to the Company, or as to the form of that notification, they are advised to consult their solicitor or other professional adviser without delay.

9. Overseas Persons

- 9.1 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or custodians, nominees or trustees for citizens, nationals or residents of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Shareholders who are Overseas Persons should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Overseas Person wishing to tender Shares to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Person will be responsible for payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and Numis Securities and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Person for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Forms in any territory outside the United Kingdom.
- 9.2 In particular, the Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails, or by any means or instrumentality (including, without limitation, electronically or telephonically) or interstate or foreign commerce, or of any facility of a national securities exchange of, the United States, Australia, Canada, Japan or the Republic of South Africa and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States, Australia, Canada, Japan or the Republic of South Africa.
- 9.3 Accordingly, copies of this document and any related documents are not being mailed or otherwise distributed or sent in or into the United States, Australia, Canada, Japan or the Republic of South Africa including to Shareholders with registered addresses in the United States, Australia, Canada, Japan or the Republic of South Africa, or to persons whom Numis Securities knows to be custodians, nominees or trustees holding Shares for persons in the United States, Australia, Canada, Japan or the Republic of South Africa except where permitted by applicable law. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) or wishing to accept the Tender Offer should not distribute or send them in or into or from the United States, Australia, Canada, Japan or the Republic of South Africa or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and so doing will render invalid any related purported acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked in the United States, Australia, Canada, Japan or the Republic of South Africa. All accepting Shareholders must provide addresses outside the United States, Australia, Canada, Japan or the Republic of South Africa for the remittance of cash or the return of documents lodged pursuant to the Tender Offer. The Tender Form is not being sent to Shareholders with registered addresses in the United States, Australia, Canada, Japan or the Republic of South Africa.
- 9.4 A Shareholder will be deemed not to have made a valid Tender if: (i) such person is unable to make the representations and warranties set out in paragraphs 6.1.9, 6.1.10 and 6.1.11 of this Part III; or (ii) such person has an address in the United States, Australia, Canada, Japan or the Republic of South Africa and such person does not insert where indicated on the Tender Form the name and address of a person or agent outside the United States, Australia, Canada, Japan or the Republic of South Africa to whom they wish the consideration to which they are entitled under the Tender Offer to be sent, subject to the provisions of this paragraph and the applicable laws; or (iii) such person inserts on the Tender Form the name and address of a person or agent in the United States, Australia, Canada, Japan or the Republic of South Africa to whom they wish the consideration to which such person is entitled under the Tender Offer to be sent; or (iv) the Tender Form received from such Shareholder is in an envelope postmarked in, or which otherwise appears to Numis Securities or its agents to have been sent from, the United States, Australia, Canada, Japan or the Republic of South Africa. Numis Securities reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraphs 6.1.9, 6.1.10 and 6.1.11 above given by any Shareholder are correct and, if such investigation is undertaken and as a result Numis Securities

determines (for any reason) that such representation and warranty is not correct, such acceptance shall not be valid.

- 9.5 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, a Tender Form or any related offering documents in, into or from the United States, Australia, Canada, Japan or the Republic of South Africa or uses the mails of, or any means or instrumentality (including, without limitation, electronically or telephonically) of interstate or foreign commerce or any facility of a national securities exchange of, the United States, Australia, Canada, Japan or the Republic of South Africa in connection with such forwarding, such persons should: (i) inform the recipient of such fact; (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and (iii) draw the attention of the recipient to this paragraph 9.
- 9.6 The provisions of this paragraph 9 and any other terms of the Tender Offer relating to Overseas Persons may be waived, varied or modified as regards specific Overseas Persons or on a general basis by Numis Securities in its absolute discretion but only if Numis Securities is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other law.
- 9.7 The provisions of this paragraph 9 supersede any terms of the Tender Offer inconsistent herewith.

Overseas Persons should inform themselves about and observe any applicable legal or regulatory requirements. If any Shareholder is in any doubt about their position, they should consult their professional adviser in the relevant territory.

PART IV
TAXATION IN THE UNITED KINGDOM

The following comments are intended only as a general guide to certain aspects of current UK law and HM Revenue & Customs published practice and do not constitute tax advice. They are of a general nature and only apply to Shareholders who are resident in the United Kingdom for tax purposes (except where indicated) and who hold their Shares beneficially as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities.

Subject to the following paragraph, a Shareholder who sells Shares in the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder had sold them in the normal way to a third party. Accordingly, any such Shareholder who is UK resident may, depending on that Shareholder's personal circumstances, be subject to capital gains tax (or in the case of a corporate Shareholder, corporation tax on chargeable gains) in respect of any gain arising on such sale. Shareholders who are not resident or ordinarily resident in the UK for taxation purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares unless those Shares are held through a UK branch, agency or permanent establishment, and the Shares have been used, held or acquired for the purposes of such branch, agency or permanent establishment, or trade carried through it, although they may be subject to foreign taxation depending on their personal circumstances. Shareholders who are subject to tax in a jurisdiction other than the UK or who are in any doubt as to the potential tax consequences of selling their Shares are strongly recommended to consult their own professional advisers before making any such sales.

Application has not been made to HM Revenue & Customs for clearance under Part 15 CTA 2010 or Part 13 of ITA 2007 that section 684 ITA 2007 or section 737 CTA 2010, respectively, will not apply to the Tender Offer. Under section 684 ITA 2007, HM Revenue & Customs may seek to assess individual Shareholders and trustee Shareholders to income tax (as opposed to capital gains tax) on the portion of the Tender Price which exceeds the amount originally subscribed (including any premium) for the Shares.

Section 684 ITA 2007 does not apply if the relevant Shareholder can show that the sale did not have as its main purpose or as one of its main purposes the obtaining of an income tax advantage.

The information relating to taxation set out above is a general guide and is not exhaustive. It is based on law and published practice currently in force in the United Kingdom and is subject to changes therein (potentially with retrospective effect). If you are in any doubt as to your taxation position you should consult an appropriate professional adviser without delay.

Stamp duty and stamp duty reserve tax

Shareholders will have no liability to stamp duty or stamp duty reserve tax in respect of the sale of their Shares pursuant to the Tender Offer.

PART V
GENERAL INFORMATION

1. City Code on Takeovers and Mergers

Under Rule 9 of the City Code, any person or group of persons deemed to be acting in concert who acquires 30 per cent. or more of the voting shares of a company to which the City Code applies is normally required by the Panel to make a general offer to shareholders of that company to acquire their shares. Rule 9 of the City Code also provides that any person or group of persons deemed to be acting in concert who own between 30 per cent. and 50 per cent. of the voting shares of a company to which the City Code applies will be unable, without the Panel's consent, to acquire, either individually or together, any further voting rights in the company without being required to make a general offer to shareholders of that company to acquire their shares.

Under Rule 37.1 of the City Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by shareholdings of the Directors and persons acting in concert with them is treated as an acquisition for the purpose of Rule 9. A shareholder not acting in concert with the Directors will not normally incur an obligation to make a general offer under Rule 9, if, as a result of the purchase of its own shares by a company, he comes to exceed the percentage limits set out in Rule 9. However, this exception will not apply when a shareholder not acting in concert with the Directors has purchased shares at a time when he had reason to believe that such a purchase of its own shares by the company would take place.

A shareholder not acting in concert with the Directors may, therefore, incur an obligation under Rule 9 to make a general offer to Shareholders to acquire their Shares if, as a result of the purchase by the Company of its own Shares from other Shareholders, he comes to hold or acquire 30 per cent. or more of the Shares following the Tender Offer and he has purchased Shares after 3 November 2014, being the date when he had reason to believe that the Company would purchase its own Shares under the Tender Offer.

2. Repurchase Agreement

On 3 November 2014, the Company entered into a letter agreement (the "Repurchase Agreement") with Numis Securities. Under the Repurchase Agreement, upon the Tender Offer becoming unconditional in accordance with its terms, Numis Securities has agreed to sell to the Company at the Tender Price, and the Company has agreed to purchase at the Tender Price, any Tendered Shares.

Under the Repurchase Agreement, the Company represents to Numis Securities that the Tender Offer complies with the law and regulations in force in each jurisdiction in which the Tender Offer is to be made. So far as permitted by applicable law, the Company indemnifies Numis Securities against all liability of any nature in respect of claims made by Shareholders against Numis Securities unless such liability is determined to have arisen out of the bad faith, fraud, wilful default or gross negligence on the part of Numis Securities or breach by Numis Securities of the FCA Rules.

3. General

Numis Securities has given and not withdrawn its written consent to the issue of this document with the inclusion of its letter and with the references to its name in the form and context in which they are included.

Assuming the Tender Offer is subscribed in full, the costs in connection with the Tender Offer are estimated to be approximately £70,000 plus VAT.

EREDENE CAPITAL PLC
(Registered in England and Wales with Company number 5330839)

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (the “Meeting”) of Eredene Capital PLC (the “Company”) will be held at the registered office of Eredene Capital PLC, Cayzer House, 30 Buckingham Gate, London SW1E 6NN at 10.00 a.m. on 19 November 2014 to consider and, if thought fit, pass the following resolutions, which will be proposed as special resolutions:

1. That, in accordance with Rule 41 of the AIM Rules for Companies, the cancellation of the admission to trading of the Ordinary Shares on the AIM Market of the London Stock Exchange PLC (the “Cancellation”) be and is hereby approved and that the directors be authorised to take all action reasonable or necessary to effect the Cancellation.

2. That, conditional on the passing of resolution 1:

(a) the Company be re-registered as a private limited company under the Companies Act 2006 by the name of “Eredene Capital Limited”; and

(b) with effect from the Company’s re-registration as a private limited company, the draft articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairman, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

BY ORDER OF THE BOARD

Ocean Dial Asset Management Limited
Secretary

Registered Office:
Cayzer House
30 Buckingham Gate
London
SW1E 6NN

Dated: 3 November 2014

Notes to the Notice of General Meeting

Entitlement to attend and vote

1. The Company specifies that only those members registered on the Company's register of members at:
 - 6.00 p.m. on 17 November 2014; or
 - if the General Meeting is adjourned, 48 hours prior to the adjourned meeting, shall be entitled to attend and vote at the General Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 2 above, you are entitled to appoint a proxy 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 meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. 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.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy your form of proxy or contact Neville Registrars Limited to obtain an extra proxy card on +44 (0)121 585 1131.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

Appointment of proxy using hard copy form of proxy

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 Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- received by Neville Registrars Limited no later than 10.00 a.m. on 17 November 2014 (or if the General Meeting is adjourned, 48 hours before the adjourned General Meeting).

In the case of a member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by a director or 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.

Appointment of proxy by joint members

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-name being the most senior).

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy form of proxy and would like to change the instructions using another hard-copy form of proxy, please contact Neville Registrars on +44 (0)121 585 1131.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Neville Registrars Limited no later than 10.00 a.m. on 17 November 2014.

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

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Notes for CREST Members

11. CREST members who wish to appoint a proxy or proxies through CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and 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 for them.
12. To complete a valid proxy appointment or instruction using the CREST service, the 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, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted to Neville Registrars Limited, whose CREST participant ID is 7RA11, 48 hours before the time fixed for the meeting (or adjournment thereof). The time of receipt of the instruction will be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Neville Registrars Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change in instructions to proxies appointed through CREST should be communicated to the appointee through other means.

13. CREST members and, where applicable, CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply 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 ensure that his CREST sponsor or voting service provider(s) take(s)) the necessary action to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.