

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should consult your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) immediately.

If you have sold or otherwise transferred all your ordinary shares in Leed Resources plc, you should pass this document, together with the accompanying Form of Proxy and Accounts, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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LEED RESOURCES PLC

(Registered in England & Wales with registered number 06034226)

NOTICE OF ANNUAL GENERAL MEETING

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Notice of an Annual General Meeting of the Company to be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW on 17 January 2013 at 11.00 am is set out at the end of this document. A Form of Proxy for use at the Annual General Meeting is enclosed with this document. Shareholders are requested to complete and return the Form of Proxy for use at the Annual General Meeting in accordance with the instructions printed thereon whether or not they intend to be present at the meeting. To be valid for use at the meeting the Form of Proxy should be returned so as to be received by the Company's solicitors either by post at c/o MoFo Notices Limited, CityPoint, One Ropemaker Street, London, EC2Y 9AW or by email, as an email attachment, at [leed@mofo.com](mailto:leed@mofo.com), as soon as possible but in any event no later than 11.00 am on 15 January 2013. Completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting at the meeting in person.

## DEFINITIONS

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

<b>“Annual Report and Accounts”</b>	the audited financial statements of the Company for the year ended 30 June 2012
<b>“Act”</b>	the Companies Act 2006
<b>“Annual General Meeting” or “AGM”</b>	the annual general meeting of the Company convened for 11.00 am on 17 January 2013 pursuant to the Notice of Annual General Meeting which appears at the end of this document
<b>“Articles”</b>	the articles of association of the Company in force at the date of this document
<b>“Board” or “Directors”</b>	the board of directors of the Company
<b>“Company” or “Leed Resources”</b>	Leed Resources plc
<b>“Form of Proxy”</b>	the form of proxy accompanying this document for use at the Annual General Meeting
<b>“Ordinary Shares”</b>	ordinary shares of £0.001 each in the capital of the Company
<b>“Resolutions”</b>	the resolutions set out in the Notice of Annual General Meeting which appears at the end of this document
<b>“Shareholders”</b>	holders of Ordinary Shares

**Leed Resources plc**  
(Registered in England & Wales No. 06034226)

*Directors:*

Peter Redmond (Chairman)  
Ian Gibbs (Non Executive Director)  
Nicholas Lee (Non Executive Director)

*Registered Office:*

31 Harley Street  
London  
W1G 9QS

20 December 2012

Dear Shareholder

**Introduction**

The Annual Report and Accounts of the Company setting out the results for the year ended 30 June 2012 has been posted on the Company's website at [www.leedresourcesplc.com](http://www.leedresourcesplc.com). This letter contains the formal Notice of the Annual General Meeting of the Company and provides some additional information on the Resolutions.

**Annual General Meeting**

You will find set out at the end of this document a Notice convening the Annual General Meeting of the Company for 11.00 am on 17 January 2013, at which resolutions will be proposed:

1. to receive and adopt the Company's Annual Report and Accounts for the financial year ended on 30 June 2012, and the Directors' Report and the Independent Auditors' Report on those accounts;
2. to reappoint as a Director Nicholas Lee who, in accordance with the Articles, is required to retire by rotation at the Annual General Meeting and, being eligible, offers himself for reappointment;
3. to reappoint Welbeck Associates, who were appointed following the resignation of Grant Thornton LLP, as the auditors of the Company until the next annual general meeting;
4. to authorise the Directors to determine the level of the remuneration of the auditors;
5. to grant the Directors authority to allot shares in the capital of the Company; and
6. to grant the Directors the power to disapply the statutory pre-emption rights for certain shares.

Resolutions 1, 3 and 4 are self-explanatory. Information on the other Resolutions is provided below. Resolutions 1 – 5 are ordinary resolutions which require to be passed by the approval of a simple majority of Shareholders present and voting in person or by proxy or authorised representative. On a show of hands each Shareholder so present has one vote, but should a poll be demanded each such Shareholder has one vote for each share held by him or her. Resolution 6 is a special resolution that requires to be passed by the approval of 75% of such Shareholders, determined in the same way as for the ordinary resolutions.

**Resolution No 2 - reappointment of Nicholas Lee as Director**

Mr Lee is liable to retire by rotation at the Annual General Meeting under the Articles and offers himself for re-appointment. Mr Lee started his career with Coopers & Lybrand before spending over 20 years with Dresdner Kleinwort Benson. He is currently Chairman of the AIM quoted investment company, Paternoster Resources plc, and is a director of a number of other AIM companies.

**Resolution No 5 – authority to issue shares**

At the Annual General Meeting held on 21 February 2012, the Directors were authorised, in accordance with section 551 of the Act, to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £2,669,268.67. This authority expires at the conclusion of this Annual General Meeting and it is therefore proposed to replace it with a new authority, granted under section 551

of the Act, which will allow the Directors to allot Ordinary Shares and to grant rights to subscribe for or to convert any securities into Ordinary Shares up to an aggregate nominal amount of £3,105,177.77.

Assuming the passing of the resolution, the new authority will expire fifteen months from the date of the passing of the resolution or until the conclusion of the next annual general meeting, if earlier, and will revoke all previous authorities to the extent that they have not already been utilised.

### **Resolution No 6 – disapplication of pre-emption rights**

Section 561 of the Act contains pre-emption rights that require all equity shares which it is proposed to allot for cash to be offered to existing shareholders in proportion to existing shareholdings, unless a special resolution is passed to disapply such pre-emption rights. Such rights do not apply to an issue otherwise than for cash, such as an issue in consideration of an acquisition. The Directors believe that these requirements are too restrictive and it is proposed that the Directors should be able to allot shares amounting to no more than an aggregate nominal amount of £3,105,177.77 otherwise than on a pre-emptive basis.

In addition, it is customary to disapply the statutory pre-emption rights altogether, and substitute similar non-statutory provisions because, for technical reasons, the statutory rights are difficult to apply in certain circumstances. The proposed resolution therefore also provides a pre-emption disapplication in respect of allotments up to an aggregate nominal amount authorised by Resolution 5 in the form of rights issues, open offers, scrip dividend schemes or other pre-emptive issues and free of the statutory constraints. The broadening of the proposed resolution to include pre-emptive issues other than rights issues is a departure from the strict wording of the ABI guidelines which is limited to rights issues, which the Directors regard as too restrictive, especially as AIM companies normally make open offers and not rights issues. The above departures from the strict wording of the ABI guidelines should not be taken to indicate that they are being disregarded, but rather that the proposed resolutions are designed to provide greater flexibility for the Directors to determine the form of any future pre-emptive issues in the light of market conditions and practice, and the views of our major institutional shareholders, at the time such an issue may be proposed.

### **Action to be Taken**

A Form of Proxy for use at the Annual General Meeting is enclosed. If you are a Shareholder you are advised to complete and return the form in accordance with the instructions printed on it so as to arrive at MoFo Notices Limited, CityPoint, One Ropemaker Street, London, EC2Y 9AW, as soon as possible, but in any event no later than 11.00 am on 15 January 2013.

The completion and return of a Form of Proxy does not preclude you from attending and voting at the Annual General Meeting if you so wish.

### **Recommendation**

The Directors consider the Resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its Shareholders. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of all the Resolutions, as they intend to do in respect of their own beneficial holdings.

Yours faithfully,

Peter Redmond  
Chairman

## LEED RESOURCES PLC

*(Incorporated in England & Wales with registered number 06034226)*  
(the “Company”)

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Leed Resources plc will be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW on 17 January 2013 at 11.00 am to consider, and if thought fit, pass the following resolutions of which resolutions 1-5 will be proposed as ordinary resolutions and resolution 6 will be proposed as a special resolution.

#### ORDINARY BUSINESS

1. To receive and adopt the Company’s Annual Report and Accounts for the financial year ended 30 June 2012 and the Directors’ Report, and the Independent Auditors’ Report on those accounts.
2. To reappoint as a Director Nicholas Lee who, in accordance with the Articles, is required to retire by rotation at the Annual General Meeting and, being eligible, offers himself for reappointment.
3. To reappoint Welbeck Associates as auditors of the Company from the conclusion of this Meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid.
4. To authorise the Directors to determine the remuneration of the auditors.

#### SPECIAL BUSINESS

5. That in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors of the Company be and are hereby generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “relevant securities”) up to an aggregate nominal amount of £3,105,177.77 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant or equity securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant or equity securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.
6. That the Directors are hereby empowered pursuant to section 561 of the Act to, subject to and conditionally upon the passing of resolution No 5, allot equity securities for cash

pursuant to the authority conferred by resolution No 5 as if section 561(1) of the Act did not apply to any such allotment and provided that such power:

- (1) shall, subject to the continuance of the authority conferred by resolution No 6, expire fifteen months after the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and
- (2) shall be limited to:
  - (a) the allotment of equity securities of up to an aggregate nominal amount of £3,105,177.77 pursuant to a rights issue, open offer, scrip dividend scheme or other pre-emptive offer or scheme which is in each case in favour of holders of Ordinary Shares and any other persons who are entitled to participate in such issue, offer or scheme where the equity securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held or deemed to be held by them for the purposes of their inclusion in such issue, offer or scheme on the record date applicable thereto, but subject to such exclusions or other arrangements as the Directors may deem fit or expedient to deal with fractional entitlements, legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or stock exchange in any territory, shares being represented by depositary receipts, directions from any holders of shares or other persons to deal in some other manner with their respective entitlements or any other matter whatever which the Directors consider to require such exclusions or other arrangements with the ability for the Directors to allot equity securities not taken up to any person as they may think fit; and
  - (b) the allotment of equity securities for cash otherwise than pursuant to subparagraph (a) up to an aggregate maximum nominal amount of £3,105,177.77.

20 December 2012

*By Order of the Board*

*31 Harley Street  
London  
W1G 9QS*

*Registered in England & Wales  
Company No: 06034226*

## NOTES

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company.
2. 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.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box on your proxy form. If you sign and return your proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank proxy form. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact MoFo Notices Limited at CityPoint, One Ropemaker Street, London, EC2Y 9AW or by email at leed@mofo.com.
5. To direct your proxy how to vote on the resolutions mark the appropriate box on your proxy form with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. 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 meeting.
6. To appoint a proxy using this form, your proxy form must be:
  - completed and signed;
  - sent or delivered to MoFo Notices Limited, CityPoint, One Ropemaker Street, London, EC2Y 9AW or emailed as an email attachment to leed@mofo.com; and
  - received by MoFo Notices Limited or at leed@mofo.com, no later than 11.00 am on 15 January 2013.
7. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the Company or an attorney for the Company.
8. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.
9. 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.
10. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered on the register of members of the Company at 6.00 p.m. on 15 January 2013 or, in the event that this meeting is adjourned, in the register of members as at 6.00 p.m. on the day two days before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members by the close of business on 15 January 2013 or, in the event that this meeting is adjourned, in the register of members before the close of business on the day two days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
11. The following documents will be available for inspection at the offices of the Company's solicitors, Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW during normal business hours on any week day (public holidays excepted) from the date of this notice until the date of the Annual General Meeting, and at the place of the meeting for one hour before the meeting and at the meeting itself:
  - the constitutional documents of the Company, comprising its current Articles.

