

## **PARAGON RESOURCES PLC**

(incorporated under the Companies (Jersey) Law 1991 (as amended))

Registered Number 95036

**(the "Company")**

### **NOTICE OF 2013 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the "**AGM**") of the shareholders of the Company will be held at the offices of Mourant Ozannes, 22 Grenville Street, St Helier, Jersey JE4 8PX at 12.00 p.m. on 27 November 2013 for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions 1 to 4 (inclusive) will be proposed as ordinary resolutions and resolutions 8 and 9 will be proposed as Special Resolutions:

#### **ORDINARY RESOLUTIONS**

1. **THAT** the Annual Report and Financial Statements of the Company for the seventeen month period ended 31 May 2013, together with the report of the auditors thereon, be received and approved.
2. **THAT** Mr Simon Hunt, who retires by virtue of Article 19(2)(a) of the Articles of Association (the "**Articles**") be elected as a Director in accordance with the Articles.
3. **THAT** Mr Andrew Beveridge, who retires by virtue of Article 19(2)(a) of the Articles be elected as a Director in accordance with the Articles.
4. **THAT** Mr Daniel Cassiano-Silva, who retires by virtue of Article 19(2)(a) of the Articles be elected as a Director in accordance with the Articles.
5. **THAT** Mr Declan Sheeran who retires by rotation by virtue of Article 19(2)(b) of the Articles, be re-elected as a Director in accordance with the Articles.
6. **THAT** Deloitte LLP, United Kingdom be re-appointed as auditors of the Company for the current financial year.
7. **THAT** the Directors be authorised to fix the remuneration of the auditors.

## SPECIAL RESOLUTIONS

8. **THAT** in substitution for each of the authorities granted to the directors by virtue of resolutions passed at the adjourned Extraordinary General Meeting of the Company held on 19 June 2013, the directors be generally and unconditionally authorised to exercise any and all powers of the Company under Article 4(1) of the Articles of Association to allot, grant options and/or warrants over or otherwise dispose of any shares in the capital of the Company at any time and from time to time, wholly for cash or otherwise and as if the pre-emption provisions of Article 4(2) of the Articles of Association did not apply, provided always that:
- (a) in the case of any allotment of Equity Securities wholly for cash, the powers of the directors shall be limited to:
    - (i) the allotment of Equity Securities having a maximum aggregate nominal amount of £125,000 (being 250,000,000 ordinary shares of £0.0005 each); and
    - (ii) the allotment of further Equity Securities having a maximum aggregate nominal amount of £175,000 (being 350,000,000 ordinary shares of £0.0005 each) but only pursuant to, or in connection with, any conditional placing, placing, open offer, drawdown on the equity finance facility provided to the Company by Darwin Strategic Limited (as announced by the Company on 1 March 2013) or payment to a supplier in shares in lieu of a cash payment.
  - (b) the authorities granted by this resolution shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) on the earlier of 15 months of the passing of this resolution and the conclusion of the Annual General Meeting of the Company to be held in 2014, save that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the directors of the Company may allot Equity Securities pursuant to such offer or agreement as if the authority conferred on them hereby had not expired.
9. **THAT** the Articles be amended as follows:
- (a) by the addition of the following underlined words to the existing Article 33(12):
    - "33(12) References to sending to any persons printed copies and references to documents and notices being deposited at or delivered to an address include references to using Electronic Communications for sending those copies or documents or notices to such address as may for the time being be notified to the Company by that person for that purpose. Copies of those documents or notices are also to be treated as sent to a person where:
      - (a) the Company and that person have agreed (or that person is deemed pursuant to Article 33(15) to have agreed with the Company) to that person having access to the documents or notices on a web site (instead of their being sent to such person);
      - (b) the documents or notices are documents or notices to which that agreement or deemed agreement applies; and
      - (c) that person is notified, in a manner for the time being agreed for the purpose between such person and the Company (or, in default of any such agreement, by a notice in writing (in paper

copy or similar form capable of being read) sent to that person's registered address), of:

- (1) the publication of the documents or notices on a web site;
- (2) the address of that web site; and
- (3) the place on that web site where the documents or notices may be accessed, and how they may be accessed."

(b) by the addition of new Articles 33(15) and (16) as follows:

"33(15): If a person has been asked individually by the Company to agree that the Company may send or supply documents or information generally or specific documents or information to the person by means of a web site and the Company does not receive a response within a period of 28 days beginning with the date on which the Company's request was sent (or such longer period as the board may specify), such person will be deemed to have agreed with the Company to receive such documents or information by means of a web site in accordance with Article 33(12) above. A person can revoke any such deemed election in accordance with Article 33(16) below.

33(16) Any amendment or revocation of a notification given to the Company or agreement (or deemed agreement) under this article shall only take effect if in writing, signed by the person and on actual receipt by the Company thereof."

*By order of the Board of Directors*

**FML Corporate Services Limited**

*Secretary*

Registered Office:  
Third Floor  
Mielles House  
La Rue des Mielles  
St Helier  
Jersey  
JE2 3QD

Dated: 4 November 2013

**NOTES:**

- (a) In accordance with Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999 the time by which a person must be entered on the register of members of the Company in order to have the right to attend or vote at the AGM is at 12.00pm on 27<sup>th</sup> November 2013. If the AGM is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. Changes to entries on the register after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
- (b) A member of the Company entitled to attend and vote at the AGM convened by this notice is entitled to appoint one or more proxies to exercise any of his rights to attend, speak, and on a poll, vote at that meeting on his behalf. A proxy need not be a member of the Company. Appointment of proxies does not preclude shareholders from attending and voting at the AGM should they wish to do so.
- (c) A proxy may only be appointed using the procedures set out in these notes and the enclosed proxy form. To appoint a proxy, a member must complete, sign and date the enclosed proxy form and deposit it at the office of Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY not less than 48 hours before the time fixed for the AGM or any adjourned meeting at which the proxy is to vote. The form of proxy must be completed under the hand of the appointor or his duly authorized attorney. In the case of a member which is a company, the proxy form must be executed under its common seal or under the hand of an officer or attorney so authorised. Any power of attorney or any other authority under which the proxy form is signed (or a notarially certified copy of such power of attorney or authority) must be enclosed with the proxy form.
- (d) CREST members who wish to appoint a proxy or proxies or to give an instruction to a proxy (whether previously appointed or otherwise) by utilising the capital and CREST electronic proxy appointment service may do so in relation to the meeting, and any adjournment(s) thereof, by utilising the procedures described in the CREST Manual. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted via the CREST system so as to be received by Computershare Investor Services PLC (whose CREST ID is 3RA50) by the latest time for receipt of proxy appointments specified in note (c) above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in the Companies (Uncertificated Securities) (Jersey) Order 1999.

- (e) A proxy does not need to be a member of the Company but must attend the AGM to represent you. Details of how to appoint the Chairman of the AGM or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- (f) 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. Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by you on the record date will result in the proxy appointment being invalid. To appoint more than one proxy, please contact Computershare Investor Services PLC.
- (g) 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 in the proxy form, 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 AGM.
- (h) 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-named being the most senior).
- (i) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Any amended proxy appointment received after the time for holding the AGM or any adjourned meeting will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact 3RA50.

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.

- (j) 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 Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY. 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 a duly authorised 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 notarially certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services

PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY no later than the commencement of the AGM or adjourned meeting at which the vote is given or, in the case of a poll taken more than 48 hours after it is demanded, before the time appointed for taking the poll.

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 AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.