



27 May 2015

**Paragon Resources PLC
("Paragon" or the "Company")**

UPDATE

The Company held its 2015 Annual General Meeting on 26 May 2015. The Ordinary Resolutions were all passed.

The Directors had originally intended to put to the Shareholders at the AGM the Special Resolution to reorganise the Company's share capital, adopt new articles of association and dis-apply pre-emption rights to allow the Directors to allot new Ordinary Shares for cash.

In light of discussions in the run-up to the AGM as to the basis upon which it was most likely to be advantageous for the Company to consolidate the Ordinary Shares, the Directors decided not to put that resolution to Shareholders at the AGM. Having now received further advice and held further discussions, it is now proposed that the consolidation is on the basis of one Ordinary Share of £0.05 for every one hundred Ordinary Shares of £0.0005. The Directors have concluded that the interests of the Company are best served with this revised consolidation. A Notice of EGM will be sent out on 28 May on this basis.

ENDS