

Letter from the Chairman with Notice of Annual General Meeting

FINANCIAL STATEMENTS

EGDON RESOURCES PLC (THE "COMPANY")

(Incorporated and registered in England and Wales with registered number 06409716)

Directors:

Philip Stephens (Non-Executive Chairman)
Mark Abbott (Managing Director)
Jeremy Field (Executive Director)
Andrew Lodge (Non-Executive Director)
Neil O'Brien (Non-Executive Director)
Kenneth Ratcliff (Non-Executive Director)
Walter Roberts (Non-Executive Director)

Registered Office:

The Wheat House
98 High Street
Odiham
Hampshire
RG29 1LP

10 November 2014

Dear Shareholder,

1. Introduction

Notice of the Company's forthcoming Annual General Meeting to be held on Friday 12th December 2014 ("AGM" or "Annual General Meeting") appears on the following pages.

As in previous years your Board is not recommending the payment of a dividend.

2. Resolutions to be proposed at the AGM

Ordinary Business

Annual report and financial statements (Resolution 1)

A copy of the annual report and financial statements (together with the Directors' and Auditor's reports on the annual report and financial statements) for the Company for the financial year ended 31 July 2014 (the "Financial statements") has been sent to you with this document. Shareholders will be asked to receive the Financial statements at the Annual General Meeting.

Reappointment of auditors (Resolution 2)

The Company is required at each general meeting at which financial statements are presented to appoint auditors to hold office until the next such meeting. Resolution 2 proposes the reappointment of Nexia Smith & Williamson Audit Limited as auditor of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at which financial statements are laid, and authorises the Directors to determine their remuneration.

Retirement by Directors (Resolutions 3, 4 & 5)

Neil O'Brien who was appointed as a non-executive Director on 26th June 2014, retires as required and offers himself for re-election. A third of the members of the Board are required to submit themselves for re-election each year and all are required to submit themselves for re-election at least once every three years. I and Jerry Field are the Directors retiring by rotation this year and both of us are offering ourselves for re-election. Brief biographical details of each of the Directors appear on page 17 of the Financial statements.

Authority of Directors to allot shares (Resolution 6)

The authority given to the Directors to allot further shares in the capital of the Company requires the prior authorisation of the shareholders in general meeting under section 551 Companies Act 2006 ("CA 2006"). Upon the passing of Resolution 6, pursuant to paragraph (A) of the Resolution, the Directors will have authority to allot shares up to a maximum of £735,997.87 (which represents approximately one-third of the current issued share capital as at 7 November 2014, being the latest practicable date before the publication of this Letter).

In addition, in accordance with the guidance from the Association of British Insurers ("ABI") on the expectations of institutional investors in relation to the authority of directors to allot shares, upon the passing of Resolution 6, the Directors will have authority (pursuant to paragraph (B) of the Resolution) to allot an additional number of ordinary shares up to a maximum of £735,997.87 (which represents approximately a further third of the current issued share capital as at 7 November 2014, being the latest practicable date before the publication of this Letter). However, the Directors will only be able to allot those shares for the purposes of a rights issue in which the new shares are offered to existing shareholders in proportion to their existing shareholdings.

As a result, if Resolution 6 is passed, the Directors could allot shares representing up to two-thirds of the current issued share capital pursuant to a rights issue.

To the extent not already expired, the authorities conferred by Resolution 6 will expire at the conclusion of the next Annual General Meeting or, if earlier, on 31st January 2016.

Disapplication of pre-emption rights (Resolution 7)

If the Directors wish to exercise the authority under Resolution 6 and offer unissued shares (or sell any shares which the Company may purchase and elect to hold as treasury shares) for cash, the Companies Act 2006 requires that unless shareholders have given specific authority for the waiver of the statutory pre-emption rights, the new shares be offered first to existing shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot new shares (or to grant rights over shares) for cash without first offering them to existing shareholders in proportions to their holdings.

Resolution 7 would authorise the Directors to do this by allowing the Directors to allot shares for cash (i) by way of a rights issue (subject to certain exclusions), (ii) by way of an open offer or other offer of securities (not being a rights issue) in favour of existing shareholders in proportions to their shareholdings (subject to certain exclusions) and (iii) to persons other than existing shareholders up to an aggregate nominal value of £441,598.72 (which represents approximately 20% of current issued share capital as at 7 November 2014, being the latest practicable date before the publication of this Letter). If given, to the extent not already expired, the authorities conferred by Resolution 7 will expire on the conclusion of the next Annual General Meeting or, if earlier, on 31st January 2016.

For this purpose the ABI recommendation aimed predominantly at premium-listed companies on the Official List is 5%, although it is generally recognised that for smaller companies and those on AIM this may be too restrictive. Taking into account the fact that the Company has grown in size this year we are recommending a reduction in the disapplication of pre-emption rights from 30% to 20%. This will continue to provide your Board with the flexibility to pursue investment opportunities without incurring the costs of a rights issue or the need to market part of the investment opportunity to third parties.

3. Recommendation

Your Directors consider the resolutions to be proposed at the AGM to be in the best interests of the Company and its shareholders as a whole. Consequently, the Directors recommend shareholders to vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings totalling 8,812,074 ordinary shares (representing 3.99% of the Company's issued share capital as at the date of this Letter).

A form of proxy is included for use at the AGM. Forms of proxy should be completed, signed and returned as soon as possible and in any event so as to be received by Capita Asset Services at PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF not less than 48 hours prior to the time appointed for the holding of the AGM on 12th December 2014. Completion of a proxy form will not prevent you from attending the AGM in person if you so wish

Yours sincerely,

Philip Stephens

NON-EXECUTIVE CHAIRMAN

Notice of Annual General Meeting

NOTICE OF ANNUAL GENERAL MEETING

EGDON RESOURCES PLC

(Incorporated and registered in England and Wales with registered number 06409716)

Notice is hereby given that the Annual General Meeting of Egdon Resources plc (the "Company") will be held at the offices of Norton Rose Fulbright, 3 More London Riverside, London SE1 2AQ, United Kingdom on Friday 12 December 2014 at 11 a.m. for the purpose of passing the following resolutions, of which Resolutions 1 to 6 will be proposed as Ordinary Resolutions and Resolution 7 will be proposed as a Special Resolution:

ORDINARY RESOLUTIONS:

1. To receive the report of the Directors and the audited financial statements of the Company for the year ended 31 July 2014, together with the report of the Auditor on those audited financial statements.
2. That Nexia Smith & Williamson Audit Limited be and are hereby reappointed as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next meeting at which financial statements are laid before the meeting, at a remuneration to be determined by the Directors.
3. To re-elect Neil O'Brien as Director who retires pursuant to article 87 of the Company's articles of association and who, being eligible, offers himself for re-election.
4. To re-elect Philip Stephens as Director who retires pursuant to article 92 of the Company's articles of association and who, being eligible, offers himself for re-election.
5. To re-elect Jerry Field as Director who retires pursuant to article 92 of the Company's articles of association and who, being eligible, offers himself for re-election.
6. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

THAT the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 Companies Act 2006 ("CA 2006") 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, shares in the Company:

- (a) up to an aggregate nominal amount of £735,997.87; and
- (b) comprising equity securities (within the meaning of section 560 of the Act) up to a further aggregate nominal amount of £735,997.87 in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter (including any such problems arising by virtue of equity securities being represented by depository receipts).

The authorities conferred on the Directors under paragraphs (a) and (b) above shall, in so far as they have not previously expired, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or 31 January 2016, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for, or to convert any security into, shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for, or to convert any security into, shares (as the case may be) in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS:

7. To consider and, if thought fit, to pass the following resolution as a special resolution:

THAT, subject to the passing of Resolution 6, above the Directors be and they are hereby empowered pursuant to section 570 CA 2006 to allot equity securities (within the meaning of section 560 CA 2006) for cash pursuant to the authority conferred by Resolution 6, as if section 561 CA 2006 did not apply to any such allotment, provided that this power shall be limited:

- (a) to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authorities granted under paragraph (b) of Resolution 6, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter (including any such problems arising by virtue of equity securities being represented by depositary receipts); and

- (b) to the allotment (otherwise than under paragraph (a) of this Resolution 7) of equity securities up to an aggregate nominal amount of £441,598.72

and shall, in so far as they have not previously expired, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or 31 January 2016, whichever is the earlier, except 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 may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Dated 10 November 2014

By Order of the Board
Walter Roberts
Secretary

Registered Office:
The Wheat House
98 High Street
Odiham
Hampshire
RG29 1LP

Notice of Annual General Meeting

CONTINUED

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy and so requires additional proxy forms, the member should contact Capita Asset Services on +44 (0)871 664 0300 (calls cost 10p per minute plus network extras). A form of proxy for use by members at the Annual General Meeting accompanies this notice.
2. To be effective, the form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, must be received by post or (during normal business hours only) by hand at the office of the Company's Registrars, being Capita Asset Services at PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, not less than 48 hours before the time of the holding of the meeting or any adjournment thereof.
3. Completion and return of the proxy form does not preclude a member from attending and voting at the meeting in person.
4. In the case of joint shareholders, 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 shareholders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. 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. 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.
6. In order to revoke a proxy instruction you will need to inform the Company by sending notice in writing clearly stating your intention to revoke your proxy appointment to Company's Registrars, being Capita Asset Services at PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF. 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 the Company no later than 48 hours before the time of the holding of the meeting or any adjournment thereof. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
7. In accordance with the permission in Regulation 41(1) of The Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), only those holders of ordinary shares who are registered on the Company's share register at 1800 hours on 10 December 2014 shall be entitled to attend the above Annual General Meeting (or, in the case of an adjourned meeting, 1800 hours on the day which is two days before the adjourned meeting) and to vote in respect of the number of shares registered in their names at that time. Changes to entries on the share register after 1800 hours on 10 December 2014 shall be disregarded in determining the rights of any person to attend and/or vote at the Annual General Meeting.
8. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

9. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
10. Copies of the service agreements and letters of appointment between the Company and its Directors will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) until the date of the meeting and also on the date and at the place of the meeting from half an hour before the meeting until the conclusion of the meeting.