THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in Vatukoula Gold Mines plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

VATUKOULA GOLD MINES PLC

NOTICE OF ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting of the Company to be held at the offices of Laytons Solicitors LLP at 2 Mohe London Riverside, London SE1 2AP on 18 May 2015 at 11:00 am is set out in this Document.

A form of proxy accompanies this notice. To be valid, forms of proxy for use at the meeting must be completed and returned so as to be received at the offices of the Company’s registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 11:00 am on 16 May 2015. The completion and depositing of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you wish to do so.
NOTICE OF ANNUAL GENERAL MEETING
of
VATUKOULA GOLD MINES PLC
(Incorporated in England and Wales with registered number 5059077)
(“the Company”)

NOTICE is hereby given that the Annual General Meeting of the Company will be held at the offices of Laytons Solicitors LLP at 2 More London Riverside, London SE1 2AP on 18 May 2015 at 11:00 am to consider, and if thought fit pass, the following resolutions of which resolutions 1 to 5 will be proposed as Ordinary Resolutions and resolution 6 will be proposed as a Special Resolution:

Directors
1. To elect Zhenchuan Li as a director.
2. To elect Lei Sun as a director.
3. To elect Qinghua Cao as a director.

Auditors
4. To appoint Chapman Davies LLP auditors of the Company to hold office until the conclusion of the next annual general meeting at which accounts are laid before the Company and authorise their remuneration to be fixed by the Directors.

Directors’ Authority to Allot Shares
5. To resolve that for the purposes of section 551 of the Companies Act 2006 (“the Act”) the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot ordinary shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to the maximum nominal amount of £5,178,830 PROVIDED that the authority granted under this resolution shall lapse at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution or, if earlier, fifteen months from the date of the passing of this resolution but so that the Company be authorised to make prior to the expiry of such period above any offer or agreement which would or might require relevant securities to be allotted after the expiry of the said period and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution.

SPECIAL RESOLUTION

Disapplication of statutory rights of pre-emption
6. To resolve that, subject to the passing of Resolution 5 set out in the notice of annual general meeting dated 20 March 2015, the Directors be empowered in accordance with section 570 of the Companies Act 2006 (“the Act”) to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 551 of the Act) by that resolution, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to equity securities for cash up to an aggregate nominal value not exceeding £5,178,830;

PROVIDED that this power, unless renewed, shall expire at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution or; if earlier, fifteen months from the date of the passing of this resolution but shall extend to the making, before such expiry, of 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 authority conferred hereby had not expired.
By order of the Board

Layton Secretaries Limited
Company Secretary

Registered office:
2 More London Riverside
London
SE1 2AP

Dated: 9 April 2015

Notes

(1) Holders of Ordinary Shares, or their duly appointed representatives, are entitled to attend and vote at the AGM. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A Shareholder can appoint the chairman of the meeting or anyone else to be his/her proxy at the meeting. A proxy need not be a Shareholder. More than one proxy can be appointed in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that Shareholder. To appoint more than one proxy, the Form of Proxy should be photocopied and completed for each proxy holder. The proxy holder’s name should be written on the Form of Proxy together with the number of shares in relation to which the proxy is authorised to act. If such is the case please indicate that the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and, to be effective, must be lodged with the Company’s registrar (Capita Registars, Proxies, The Registry, 34 Beecham Road, Beckenham, Kent BR3 4TU) so as to arrive not later than 48 hours before the time of the meeting, or in the case of an adjournment 48 hours before the adjourned time.

(2) The return of a completed Proxy Form will not prevent a Shareholder attending the AGM and voting in person if he/she wishes to do so.

(3) Only Shareholders whose names appear on the register of members of the Company as at 48 hours before the time of the meeting shall be entitled to attend the AGM either in person or by proxy and the number of ordinary shares then registered in their respective names shall determine the number of votes such persons are entitled to cast on a poll at the AGM.

(4) In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place at the AGM so that (i) if a corporate Shareholder has appointed the chairman of the meeting as its corporate representative 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 simple form of appointment letter if the chairman is being appointed as described in (1) above.
Explanatory notes on the resolutions to be proposed at the Annual General Meeting.

Resolutions 1 to 3 – Directors

The Company’s Articles of Association require that any directors appointed during the year following the annual general meeting offer themselves for election at the next annual general meeting.

Three directors have been appointed since the last annual general meeting and therefore offer themselves for election. Mr Zhichuan Li was appointed on 27 May 2014, Mr Lei Sun and Mr Qinghua Cao were appointed on 14 July 2014. These three directors will be proposed for election:

Resolution 4 – Auditors

The Company is required at each general meeting at which financial statements are laid to appoint auditors who will remain in office until the next general meeting at which financial statements are laid. This resolution will, therefore, propose the appointment of Chapman Davies LLP as auditors and authorise the Directors to fix their remuneration.

Resolution 5 – Authority to allot shares

The Companies Act 2006 provides that the Directors may not allot shares unless authorised to do so by the Shareholders. Such a power cannot be granted for longer than five years at any one time and the total nominal value of shares which can be allotted under the authority must be specified.

To renew the Board’s powers in respect of the allotment and issue of ordinary shares, it is proposed that the Directors be granted unconditional authority, in substitution for the existing authority granted by shareholders at the Company’s annual general meeting held on 25 February 2013, to allot and issue or to agree to allot and issue Ordinary Shares up to a nominal value of £5,178,830 (103,576,602 Ordinary Shares) at any time before the expiry of 15 months from the Annual General Meeting, or, if earlier, on the date of the following annual general meeting. This represents approximately one third of the Company’s issued Ordinary Share capital as at the date of this notice.

Resolution 6 – Disapplication of Pre-emption Rights

This resolution, which is in substitution for the authority granted to the Directors at the Company’s annual general meeting held on 11 March 2014, is to grant the power to the Directors to allot equity securities for cash without first offering such shares pro-rata to existing Shareholders in accordance with the statutory rights of pre-emption.

This authority will allow the Directors to allot or agree to allot equity securities for cash up to an aggregate nominal value of £5,178,830 (103,576,602 Ordinary Shares) without complying with the pre-emption requirements of the Companies Act 2006. This represents approximately 30% of the Company’s issued ordinary share capital as at the date of this notice. The proposed disapplication is in line with other companies that are similar to the Company and recognises the professional costs of a pre-emptive share issue would be disproportionate to the net funds raised and the cost and delay in seeking specific shareholder approval for such issues.

If granted, the authority will expire 15 months after the Annual General Meeting, or, if earlier, on the date of the next annual general meeting.
VATUKOULA GOLD MINES PLC
("the Company")

Form of Proxy

For use in respect of the Annual General Meeting of the Company
to be held on 18 May 2015 at 11:00 am

I/We (block capitals please) .................................................................
of ........................................................................................................

being (a) member(s) of the Company hereby appoint the chairman of the meeting or (see note 1) .................................................................
of ........................................................................................................
as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the time and the date above, and at any adjournment thereof in respect of all/[ ] (see note 2) of the shares held by me/us.

Please indicate by placing “X” in the appropriate space below how you direct your proxy to vote or to abstain on the resolution to be submitted to the meeting (see note 2).

Resolution

1. To elect Zhenchuan Li as a director.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

2. To elect Lei Sun as a director.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

3. To elect Qinghua Cao as a director.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

4. To appoint Chapman Davies LLP as auditors and to authorise the Directors to fix their remuneration.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

5. To grant the Directors’ authority to allot Ordinary Shares and grant rights to subscribe for or convert any security into shares in the Company up to the maximum nominal amount of £5,178,830.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

6. To disapply statutory rights of pre-emption in respect of a nominal value not exceeding £5,178,830.
   For: .......................................................... Against: .......................................................... Vote withheld: ..........................................................

Signature or common seal (see notes 3 and 4) ..................................................................................................................

Signed this .......................................................... day of .......................................................... 2015

Notes:
1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) but must attend the meeting in person of his own choice to attend and to vote in his/her place.
2. 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 this form. Please indicate each proxy's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
3. If you wish to appoint a proxy other than the Chairman, define the words “the Chairman of the Meeting or,” initial the instruction and insert the name of the person you wish to appoint as your proxy.
4. All members are entitled to attend and vote at the meeting, whether or not they have returned a form of proxy.
5. To direct your proxy how to vote on the resolutions mark the appropriate box 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 as he or she sees fit in relation to any other matter which is properly before the meeting.
6. If a member is a corporation, this form of proxy must be executed under its common seal or by the signature of an officer or attorney duly authorised in writing.
7. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all joint holders shall be stated, and the vote of the senior holder who tenders a vote will be accepted to the exclusion of the vote(s) of other joint holders, seniority being determined by the order in which the names stand in the register of members of the Company.
8. In order to be valid, this Form of Proxy, duly executed together with any power of attorney or other authority under which it is signed, or a notarially certified with or certified copy of such power or authority, must be lodged at the Company's Registrars, Capital Asset Services, Pinslows, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4EU not less than 48 hours before the time of the meeting or any adjournment of the meeting.
9. The return of a completed Form of Proxy will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
10. 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.
Dear Shareholders

Outstanding Shares Proposal

On 20 May 2014 the Company announced that, subject to shareholder approval, it would cancel the admission of the Company’s ordinary shares of 5p each (“Shares”) to trading on AIM (“Cancellation” or “Delisting”). The Cancellation was approved by shareholders and Delisting became effective on 1 July 2014.

Zhongrun International Mining Co. Ltd. (“Zhongrun”), the Company’s major shareholder, had assured the Company, that conditional on the Delisting becoming effective, that it intended to acquire the Shares of any shareholders who did not wish to remain a Shareholder at a price of 3.72 pence per Share from December 2014 (“Outstanding Share Proposal”).

Subsequently a letter issued by Zhongrun and published by VGM on 3 December 2014 referred to the negotiations between Zhongrun and a potential buyer in relation to the acquisition of certain of Zhongrun’s mining assets. On 10 February 2015 the Company published a letter from Zhongrun that such negotiations had been terminated. The time spent on those negotiations however caused delay to the intended implementation of the Outstanding Share Proposal.

Following the termination of negotiations, Zhongrun recommenced work in connection with the Outstanding Share Proposal, including the opening of the special account to fund the purchases of the Shares.

This work has been ongoing over the last few weeks and we have recently been informed that the arrangements are almost in place for the Outstanding Share Proposal to be implemented.

As stated above, Zhongrun has indicated that it is prepared to pay a price of 3.72 pence per share to acquire the shares of any shareholder who no longer wishes to remain a shareholder in the Company. I encourage shareholders who are considering whether to take advantage of the opportunity to sell their shares to read the trading update published on 9 April 2015 where there is information on the Company’s recent trading, on the intentions for the future and, in particular, on the financial implications of those plans.

Annual General Meeting 2015

This year’s Annual General Meeting of the Company will be held at Laytons Solicitors LLP, 2 More London Riverside, London SE1 2AP on 18 May 2015 at 11:00am. Full details of the meeting and the resolutions that will be put to shareholders are set out in the enclosed Notice of Annual General Meeting (the “Notice”).

If you are planning to attend the meeting please arrive by 10:45 to allow for registration. Additionally, if you cannot come to the meeting in person, your vote is still important and you are urged to complete, sign and return the enclosed proxy card to be received by 11:00am on 16 May 2015.

Recommendation

Your Directors are of the opinion that all resolutions which are to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders and therefore unanimously recommend that you vote in favour of the resolutions.

Y.B. Ian He, Chairman of the Board