

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 at 2 More London Riverside, London SE1 2AP on 31 January 2012 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 Registrars, PXS , The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 11:00 am on 27 January 2012.** The completion and depositing of a form of proxy will not preclude you from attending and voting in person at the 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 at 2 More London Riverside, London SE1 2AP on 31 January 2012 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:

Accounts

1. To receive and adopt the Directors' Report and Accounts for the period ended 31 August 2011

Directors

2. To re-elect David Karl Paxton as a director.
3. To re-elect Kiran Caldas Morzaria as a director.

Auditors

4. To re-appoint Mazars 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 £1,475,972 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 03 January 2012, 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 £1,475,972;

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

Laytons Secretaries Limited
Company Secretary

Registered office:

Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0LS

Dated: 03 January 2012

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 Registrars, PXS, The Registry, 34 Beckenham 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.

Explanatory notes on the resolutions to be proposed at the Annual General Meeting.

Resolution 1 – Accounts

The Directors are required by company law to present each year the Company's financial statements and the Directors' and the Auditors' report on the financial statements to the Company in a general meeting.

Resolutions 2 and 3 – Directors

The Companies Articles of Association require, first, that any directors appointed during the year following the annual general meeting offer themselves for election at the next annual general meeting. In addition at each annual general meeting any director who was elected, or last re-elected, at or before the annual general meeting held in the third calendar year preceding that annual general meeting is required to retire from office by rotation but is eligible for re-election.

No directors have been appointed since the last annual general meeting and this year the following directors are required to retire by rotation. Each, being eligible, will be proposed for re-election:

D K Paxton, Chief Executive Officer (CEO) age 57

Mr Paxton is a professional engineer with over 36 years' experience in the mining industry, starting with mine production at Goldfields of South Africa, and then time at their head office and culminating with 24 years as a mining analyst. As a mining analyst he has worked for a number of Canadian and UK stockbrokers, most recently Religare Hichens Harrison Plc.

K C Morzaria, Finance Director, age 37

Mr Morzaria holds a Bachelor of Engineering (Industrial Geology) from the Camborne School of Mines and an MBA (Finance) from CASS Business School. He has 12 years of experience in the mineral resource industry covering gold and diamonds. Mr Morzaria spent his first four years in exploration, mining and civil engineering working for Highland Gold, Firestone Diamonds and CL Associates. He was appointed Finance Director of Vatukoula Gold Mines Plc. in 2004 and since then has been overseeing the development of its mining and exploration projects in Fiji, Sierra Leone and Brazil.

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 reappointment of Mazars 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 general meeting held on 11 April 2011, to allot and issue or to agree to allot and issue Ordinary Shares up to a nominal value of £1,475,972 (29,519,446 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 and which complies with the guidelines issued by the Association of British Insurers and representative bodies of institutional investors.

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 April 2011, 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 £1,475,972 (29,519,446 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 and therefore exceeds the 5% disapplication recommended in the guidelines issued by the Association of British Insurers and representative bodies of institutional investors. The proposed disapplication is however in line with other AIM listed 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 31st January 2012 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*).

<i>Resolution</i>	<i>For</i>	<i>Against</i>	<i>Vote withheld</i>
To receive and adopt the Director’s Report and Accounts for the year ended 31 August 2011			
To re-elect David Karl Paxton as a director			
To re-elect Kirin Caldas Morzaria as a director			
To re-appoint Mazars LLP as auditors and to authorise the Directors to fix their remuneration			
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 £1,475,972			
To disapply statutory rights of pre-emption in respect of a nominal value not exceeding £1,475,972			

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

Signed this _____ day of _____ 20__

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, delete the words "*the Chairman of the Meeting or,*" initial the alteration 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 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. 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 should 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 holder(s), 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 or office copy of such power or authority, must be lodged at the Company's Registrars (Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU) not less than 2 business days 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.