

HUNTER RESOURCES PLC
(Incorporated in the Isle of Man with registered number: 011261V)

27 June 2016

TO: *Shareholders of Hunter Resources PLC (the "Company")*

Dear Sir or Madam

Notice of Annual General Meeting

Please find enclosed with this letter a notice of the Annual General Meeting of the Company.

The Annual General Meeting will be held on 12 July 2016 at 12noon at The Chambers, 5 Mount Pleasant, Douglas, Isle of Man, IM1 2PU. The notice convening the meeting and the resolutions to be considered by shareholders are set out at the end of this document, however, I would like to take this opportunity to explain to you the reasons for, and effect of, the proposed special business to be transacted at the meeting.

A. The Resolutions

The Company was initially incorporated under the Companies Act 1931 but has been registered under the Companies Act 2006 ("Act") since its re-registration on 1st July 2014. The Act contains no concept of authorised share capital although this is subject to any contrary provisions in the Company's articles of association ("Articles"). Additionally, and also subject to any contrary provisions in the Articles, a company governed by the Act is able to issue shares with or without a par value.

The Company's Articles currently specify an authorised share capital of up to 300,000,000 Ordinary Shares. The par value for the Ordinary Shares is detailed as £0.01 per Ordinary Share.

Under Isle of Man law, a company is unable to issue shares at a subscription price which is less than the par value of shares of the same class. This means that if the par value of £0.01 per ordinary share is applicable to the Ordinary Shares currently in issue ("Issued Ordinary Shares") and the mid market closing price as at close of trading on 24 June 2016 (being the last practicable time prior to the publication of this notice) was 0.19 pence, it is not currently possible for the Company to raise new equity capital.

Under the Act the Directors may by resolution, subject to contrary provision in the Articles, alter the Company's share capital comprising shares with par value in any way. This power is restricted by Article 11 which provides that a conversion of share capital into shares of a larger or smaller par value requires sanction of an ordinary resolution. The Articles do not specifically allow the removal of the par value from the Ordinary Shares. In order to enable the Company to raise new equity capital, the Board considers that an amendment to alter the Articles to allow the removal of the par value of the Ordinary Shares would be beneficial.

Article 17 of the Articles further provides that any reduction of the capital paid up on the Ordinary Shares will be deemed a variation of the rights attaching to such shares and can only proceed with the sanction of a special resolution.

It is therefore proposed:

1. that the company pass a special resolution to alter the Articles to allow for the removal of the par value of the Ordinary Shares;
2. that the Company pass an ordinary resolution to authorise the redenomination of the current par value of the Issued Ordinary Shares from £0.01 per share to no par value shares; and
3. that the Company pass a special resolution to authorise the deemed variation of the rights attaching to the Issued Ordinary Shares by the removal of the par value of the Ordinary Shares.

B. Action To Be Taken

Shareholders will find enclosed with this document a Form of Proxy for the Annual General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it. The Form of Proxy should be returned to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA by post or by email to reece@nevilleregistrars.co.uk as soon as possible and, in any event, so as to arrive not later than 12 noon. on 8 July 2016. The completion and return of a form of proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

C. Recommendation

The directors recommend that you vote in favour of the resolutions as they intend to do in respect of their own shareholdings. As at the date of this document, directors' own aggregated shareholdings stand at 18.5% of the present issued share capital of the Company.

Yours faithfully

Simon Hunt
Chairman

Company Number: 011261V

THE ISLE OF MAN COMPANIES ACTS 2006

NOTICE OF ANNUAL GENERAL MEETING OF

HUNTER RESOURCES PLC

(the "Company")

Notice is hereby given that the Annual General Meeting of the Company will be held on 12 July 2016 at noon at The Chambers, 5 Mount Pleasant, Douglas, Isle of Man, IM1 2PU for the purpose of considering and, if thought fit, passing the resolutions set out below:

Ordinary Business

- 1 To receive and adopt the Company's annual accounts for the financial year ended 31 December 2015 together with the directors' report and auditor's report on those accounts.
- 2 To re-appoint Mazars LLP of Tower Bridge House, St Katherine's Way, London E1W 1DD as auditors of the Company to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company and that their remuneration be determined by the directors.
- 3 To re-appoint David Paull to the position of director of the Company.

Special Business

4. To authorise by way of special resolution that Article 11 (b) be deleted and replaced with the following new Article 11 (b):

'(b) consolidate and/or divide, re-designate or re-denominate or convert all or any of its share capital into shares of larger or smaller par value, into shares of no par value, into shares having a purchase price of another currency, or into different classes of shares than its existing shares;'
5. Subject to and conditional on the passing of resolution 4 above, to authorise by way of ordinary resolution the redenomination of the current par value of the Ordinary Shares from £0.01 per share to no par value shares.
6. Subject to and conditional upon the passing of resolutions 4 and 5 above, to authorise by way of special resolution the deemed variation of the rights attaching to the Ordinary Shares by the removal of the par value of the Ordinary Shares.
7. To authorise by way of special resolution the disapplication of the pre-emption provisions contained in Article 5.2 of the Articles and to grant the directors the power to issue and allot shares in the Company, and grant rights to subscribe for or convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "**equity**

securities") for cash pursuant Article 5.1 of the Articles, provided that the power conferred by this resolution shall be limited to:

- (a) the issue and allotment of equity securities in connection with an invitation or offer of equity securities to the holders of the same class of shares on a fixed record date in proportion (as nearly as practicable) to their respective holdings of such shares or in accordance with the rights attached to such shares (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or as a result of legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever); and
- (b) the issue and allotment (otherwise than pursuant to sub-paragraph (a) above) of relevant securities up to an aggregate value equal to £1,000,000,

and unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 15 months after the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be issued and allotted after such expiry and the directors may issue and allot equity securities in pursuance of such offer or agreement as if this power had not expired.

By Order of the Board

Dated: 27 June 2016

Simon Hunt

Registered Office
24 Athol Street
Douglas
Isle of Man
IM1 1JA

Notes:

A member entitled to attend and vote at the above meeting convened by the above notice shall be entitled to appoint a proxy (or proxies) to attend and, on a poll, vote in his place. Such proxy need not be a member of the Company.

A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person in which case any votes cast by the proxy will be excluded.

A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by photocopying the enclosed proxy form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes of the proxy form. The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he so wishes.

To be valid the form of proxy (together with the power of attorney or other authority if any under which it is signed or a notarially certified copy of such power or authority) must be completed in accordance with the instructions set out on the form and deposited at or posted to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA by post or by email to reece@nevilleregistrars.co.uk so as to be received no later than 12 noon on 8 July 2016. Completion and return of the form of proxy will not preclude shareholders from attending or voting at the meeting in person.

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.

As provided in Regulation 22 of the Uncertificated Securities Regulations 2006, only those members registered in the register of members of the Company 48 hours before the time set for the meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.