

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser.**

If you have sold or transferred or otherwise intend to sell or transfer all of your holding of ordinary shares in the Company prior to the record date (as described in Note 8) for the General Meeting of the Company on 13 December 2017 at 9.00 a.m., you should send this document, together with the accompanying Form of Proxy, to the (intended) purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or is to be effected for transmission to the (intended) purchaser or transferee.

**Notice to overseas persons**

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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**HUMMINGBIRD RESOURCES PLC**

*(Incorporated in England and Wales under number 05467327)*

**Proposed Cancellation of Share Premium Account**

**and**

**Notice of General Meeting**

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**Notice of the General Meeting of Hummingbird Resources plc (the “Company”), to be held at the offices of Gowling WLG (UK) LLP on 13 December 2017 at 9.00 a.m. is set out on pages 7 to 8 of this document.**

**A Form of Proxy for use in connection with the General Meeting is enclosed and should be completed and returned to the Company’s Registrar, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF in the prepaid envelope provided, as soon as possible and, in any event, by no later than 9.00 a.m. on 11 December 2017. Completion and return of a Form of Proxy will not preclude shareholders from attending and voting at the General Meeting in person should they so wish. If you do not send in a valid Form of Proxy or attend the General Meeting in person to vote, no-one else may vote on your behalf.**

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## DEFINITIONS

“Act”	the Companies Act 2006 (as amended)
“AIM”	the AIM Market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company
“Capita” or “Capita Asset Services”	Capita Registrars Limited (trading as registrar and as receiving agent under the name of “ <b>Capita Asset Services</b> ”), the registrars of the Company
“Cancellation”	the proposed capital reduction through the cancellation of the Company’s share premium account as described in this circular and the Notice of General Meeting
“Company”	Hummingbird Resources plc, a public limited company incorporated in England and Wales with registered number 05467327
“Court”	the High Court of Justice in England and Wales
“Court Order”	the order of the Court confirming the Cancellation
“Directors” or “Board”	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof
“Form of Proxy”	the form of proxy for use in connection with the GM which accompanies this document
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“GM” or “General Meeting”	the general meeting of the Company to be held at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU at 9.00 a.m. on 13 December 2017, notice of which is set out at the end of this document
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“London Stock Exchange”	London Stock Exchange plc
“Notice of General Meeting”	the notice convening the GM which is set out at the end of this document
“Ordinary Shares”	ordinary shares of one pence each in the capital of the Company and “ <b>Ordinary Share</b> ” is to be construed accordingly
“Resolution”	the resolution set out in the Notice of General Meeting
“Shareholders”	holders of Ordinary Shares
“Share Issuances”	various allotments of Ordinary Shares at a premium to their nominal value which occurred prior to 15 August 2016

## PART I

### HUMMINGBIRD RESOURCES PLC

*(Incorporated and registered in England and Wales with registered number 05467327)*

#### **Directors:**

Russell John King *(Non-Executive Chairman)*  
Daniel Edward Betts *(Managing Director)*  
Thomas Rowland Hill *(Finance Director and Company Secretary)*  
David Pelham *(Non-Executive Director)*  
Stephen Alexander Betts *(Non-Executive Director)*  
Matthew Charles Idiens *(Non-Executive Director)*

#### **Registered Office:**

49-63 Spencer Street  
Hockley  
Birmingham  
West Midlands  
B18 6DE

30 October 2017

*To holders of Ordinary Shares of 1p each in the capital of the Company (“**Ordinary Shares**”) and, for information purposes only, to the holders of options and warrants to subscribe for Ordinary Shares*

Dear Shareholder,

#### **Proposed Cancellation of Share Premium Account**

and

#### **Notice of General Meeting**

##### **1. Introduction**

In anticipation of the Group’s recent and anticipated further operational progress and the expectation that the production of gold at the Yanfolila Gold Mine will commence in December 2017 and allow the Group to begin generating revenue, I am writing to you in connection with a proposal to carry out a capital reduction through the cancellation of the Company’s share premium account.

This would have the effect of creating distributable reserves, which would be used to eliminate any accumulated deficit on the Company’s profit and loss account and to the extent that the balance arising upon completion of the proposed reduction exceeds such deficit, to create distributable reserves which may be used in the future for the purpose of making market purchases of the Company’s own shares (pursuant to any own share purchase authority granted by the Shareholders), in payment of dividends and for other corporate purposes, subject to the financial performance of the Company and subject always to the Act.

The background to and reasons for the Cancellation are set out in paragraph 2 below.

The Cancellation is conditional upon, amongst other things, the approval of the Court and of Shareholders at the General Meeting.

**The purpose of this document is to provide you with information about the background to and the reasons for the Cancellation, to explain why the Board considers the Cancellation to be in the best interests of the Company and its Shareholders as a whole, to give Shareholders information about and to recommend that you vote in favour of the Resolution to be proposed at the General Meeting, notice of which is set out at the end of this document.**

##### **2. Background to and reasons for the Cancellation**

As a result of the Share Issuances, the Company’s share premium account as at 31 December 2016 stood at US\$148,516,000.

A share premium account is an un-distributable reserve and, accordingly, the purposes for which the Company can use it are extremely restricted.

Therefore, given the enlarged share premium account created as a result of the Share Issuances and in light of the Group's recent and anticipated further operational progress, including the expected first production of gold and therefore revenue generation at the Yanfolila Gold Mine in December 2017, the Board is recommending that the amount standing to the credit of the share premium account be cancelled. This would have the effect of creating distributable reserves of US\$148,516,000, which would be used to eliminate any accumulated deficit on the Company's profit and loss account (which, as at 31 December 2016, was US\$12,959,000) and to the extent that the balance arising upon completion of the proposed reduction exceeds such deficit, to create distributable reserves which may be used in the future for the purpose of making market purchases of the Company's own shares (pursuant to any own share purchase authority granted by the Shareholders), in payment of dividends and for other corporate purposes, subject to the financial performance of the Company and subject always to the Act.

In respect of the timing of the application to the Court for approval, the Company expects to make an application to the Court in respect of the approval of the Cancellation within 18 months from the date of the passing of the Resolution at the General Meeting.

The Company is seeking Shareholder approval at this time, in order to give the Company flexibility as to the timing of any application to the Court in respect of the approval of the Cancellation.

### **3. The Cancellation**

Under the Act, with the sanction of a resolution of the Shareholders and the confirmation of the Court, the Company may reduce or cancel its share premium account.

In seeking this approval, the Court will need to be satisfied that the interests of the Company's creditors will not be prejudiced as a result of the Cancellation. The Court may require the Company to put in place protection for the benefit of the Company's creditors at the date of the Court application. The Board anticipates that the Company will provide such protection as so required.

The Board reserves the right to abandon or to discontinue (in whole or in part) any application to the Court in the event that the Board considers that the terms on which the Cancellation would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or the Shareholders as a whole. The Directors will, prior to the making of any application to the Court for the approval of the Cancellation, undertake a careful review of the Company's liabilities (including contingent liabilities) and consider the Company's ability to satisfy the Court that, as at the date (if any) on which the Court Order relating to the Cancellation and the statement of capital in respect of the Cancellation have both been registered by the Registrar of Companies at Companies House and the Cancellation therefore becomes effective, the Company's creditors will be sufficiently protected.

### **4. The General Meeting**

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU at 9.00 a.m. on 13 December 2017, at which the Resolution will be proposed.

### **5. Action to be taken**

**A Form of Proxy for use at the General Meeting is appended at the end of this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned, using the reply paid envelope provided, to the Company's registrars, Capita Asset Services, PSX1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible, but in any event so as to be received by no later than 9.00 a.m. on 11 December 2017. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.**

**6. Recommendation**

**The Directors consider the Cancellation to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings.**

Yours faithfully

Russell King  
*Non-executive Chairman*

# HUMMINGBIRD RESOURCES PLC

*(Incorporated and registered in England and Wales with registered number 05467327)*

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Hummingbird Resources plc (the “**Company**”) will be held at the offices of Gowling WLG (UK) LLP at 4 More London Riverside, London SE1 2AU on 13 December 2017 at 9.00 a.m. to consider and, if thought fit, to pass the following resolution, as a special resolution:

### SPECIAL RESOLUTION

That, subject to the approval of the Court, the share premium account of the Company be cancelled.

Dated: 30 October 2017

**Registered Office:**  
49-63 Spencer Street  
Hockley  
Birmingham  
West Midlands  
B18 6DE

**By order of the Board:**  
Thomas Hill  
Secretary

### Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote (on a show of hands and on a poll) on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Where more than one proxy is appointed, a member must specify the number of shares the rights in respect of which each proxy is entitled to exercise. A proxy need not be a shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice.
2. To be valid, the Form of Proxy must be received by Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by no later than 9.00 a.m. on 11 December 2017.
3. The return of a completed Form of Proxy will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
4. 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 apply 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 a signed hard copy notice clearly stating your intention to revoke your proxy appointment to 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.  
In either case, the revocation notice must be received by the Company no later than 9.00 a.m. on 11 December 2017.  
If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.  
Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
7. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.
8. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only Shareholders registered in the register of members of the Company as at close of business on 11 December 2017 shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at such time. If the General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned meeting is close of business on the day preceding the date fixed for the adjourned meeting. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.
9. As at 27 October 2017 (being the latest practicable date prior to the publication of this document), the Company's issued share capital consists of 343,241,250 Ordinary Shares of £0.01 each and which each carry one vote. Therefore, the total voting rights in the Company as at 27 October 2017 are 343,241,250.
10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that, on a poll, if more than one corporate representative purports to exercise powers over the same share as another corporate representative, that power will be treated as not exercised.

11. Except as provided above, members who have general queries about the General Meeting should contact [tom@hummingbirdresources.co.uk](mailto:tom@hummingbirdresources.co.uk) (no other methods of communication will be accepted). You may not use any electronic address provided either:
- in this notice of general meeting; or
  - any related documents (including the proxy form),
- to communicate with the Company for any purposes other than those expressly stated.