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If you have sold or transferred all of your registered holding of ordinary shares in the Company, please forward this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

LONDON MINING PLC

(the “Company”)

(Registered in England and Wales with no. 5424040)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL on 23 May 2012 at 11.00 a.m. is set out on pages 7 to 11 of this document and the recommendation of the Directors is set out on page 6.

A Form of Proxy for use at the Annual General Meeting is enclosed. However, a proxy may also be appointed by CREST members, by using the CREST electronic proxy appointment service. To be valid, any instrument appointing a proxy must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but in any event so as to arrive no later than 11.00 a.m. on 21 May 2012.

LONDON MINING PLC

(Registered in England and Wales with no. 5424040)

Directors

Dr. Colin Knight (*Chairman*)
Sir Nicholas Bonsor (*Deputy Chairman*)
Graeme Hossie (*Chief Executive Officer*)
Rachel Rhodes (*Chief Financial Officer*)
Luciano Ramos (*Chief Operating Officer*)
Benjamin Lee (*Corporate Development Director*)
Malcolm Groat (*Non-executive Director*)
Graham Mascall (*Non-executive Director*)
Colin Harris (*Non-executive Director*)

Registered Office
103 Wigmore Street
London
W1U 1QS

18 April 2012

Dear Shareholder,

2012 Annual General Meeting

1. Introduction

This letter accompanies the 2011 Annual Report and gives details of the business to be transacted at the Annual General Meeting of the Company. Notice of the Annual General Meeting is given on pages 7 to 11 of this document.

2. Summary of the resolutions to be proposed at the Annual General Meeting

Resolution 1 – Adoption of the Annual Accounts, the Directors’ Report and the Auditors’ Report on the Annual Accounts and on the auditable part of the Directors’ Remuneration Report (Ordinary resolution)

UK Company law requires the Directors to present their Report, the Annual Accounts and the Auditors’ Report on those accounts, on the Directors’ Report and on the auditable part of the Directors’ Remuneration Report to shareholders for formal adoption. The Directors’ Report, the Annual Accounts and the Directors’ Remuneration Report are included in the 2011 Annual Report.

Resolution 2 – Approval of the Directors’ Remuneration Report (Ordinary resolution)

The purpose of Resolution 2 is to approve the Directors’ Remuneration Report for the year ended 31 December 2011. The Directors’ Remuneration Report for the year ended 31 December 2011 is contained in the 2011 Annual Report.

Resolutions 3 to 5 – Re-election and election of Directors (Ordinary resolutions)

The articles of association of the Company require that at the Annual General Meeting, one third of all the Directors (other than Directors appointed since the conclusion of the last annual general meeting) shall retire by rotation. At the Annual General Meeting, Rachel Rhodes and Malcolm Groat will retire and each such Director will offer themselves for re-election. Resolutions 3 and 4 propose the re-election of Rachel Rhodes and Malcolm Groat as Directors.

The articles of association of the Company also require Colin Harris to retire at the conclusion of the Annual General Meeting because he was appointed as a Director by the Board since the conclusion of the last annual general meeting of the Company. Resolution 5 proposes the election of Colin Harris as a Director.

Brief biographies of the Directors are set out on pages 48 and 49 of the 2011 Annual Report.

Resolution 6 – To reappoint the auditors (Ordinary resolution)

The Company is required to appoint auditors at each annual general meeting at which accounts are laid before the Company, to hold office until the conclusion of the next such meeting. The Company's current auditors are Deloitte LLP. The Audit Committee has reviewed the effectiveness, independence and objectivity of Deloitte LLP on behalf of the Board, which now proposes their reappointment as auditors of the Company.

Resolution 7 – Authority for the Directors to fix the auditors' remuneration (Ordinary resolution)

This resolution authorises the Directors, in accordance with standard practice, to negotiate and agree the remuneration of the auditors. In practice, the Audit Committee will consider the audit fees for recommendation to the Board.

Resolution 8 – Authority to allot shares (Ordinary resolution)

Resolution 8.1 asks shareholders to grant the Directors authority under section 551 of the Companies Act 2006 (the "2006 Act") to allot shares or grant such subscription or conversion rights as are contemplated by sections 551(1)(a) and (b) respectively of the 2006 Act up to a maximum aggregate nominal value of £91,211.31, being approximately one-third of the nominal value of the issued ordinary share capital of the Company as at 17 April 2012. This is the maximum permitted amount under best practice corporate governance guidelines. The resolution replaces a similar resolution passed at the general meeting of the Company held on 13 February 2012.

Resolution 8.2 asks shareholders to grant the Directors authority to issue an additional aggregate nominal amount of up to £91,211.31, being an amount equal to one-third of the Company's issued share capital as at 17 April 2012. This additional authority is to be applied to rights issues only and is in accordance with the recommendations of the Rights Issue Review Group and the Association of British Insurers (the "ABI"). The Directors do not currently intend to conduct a rights issue but, should circumstances change such that the Directors do exercise such further authority, they intend to comply with the ABI recommendations and stand for re-election at the next annual general meeting of the Company if they wish to remain in office.

The authorities granted under resolution 8 will expire at the next annual general meeting.

Resolution 9 – Disapplication of pre-emption rights (Special resolution)

If the Directors wish to allot shares or other equity securities for cash or sell any shares which the Company holds in treasury following a purchase of its own shares pursuant to the authority in resolution 10 below, the 2006 Act requires that such shares or other equity securities are offered first to existing shareholders in proportion to their existing holding. Resolution 9 asks shareholders to grant the Directors authority to allot equity securities or sell treasury shares for cash up to an aggregate nominal value of £27,363.39 (being 10 per cent. of the Company's issued ordinary share capital as at 17 April 2012) without first offering the securities to existing shareholders. The Directors believe that an authority to issue 10 per cent. of the Company's issued share capital for cash without first offering the securities to existing holders is in the best interests of shareholders as it will give the Company flexibility to access funds at short notice that may be required to take advantage of strategic opportunities that create shareholder value. The resolution also disapplies the statutory pre-emption provisions in connection with a rights issue or open offer, (but in the case of the authority granted under resolution 8.2 by way of a rights issue only) and allows the Directors to make appropriate arrangements in relation to fractional entitlements or other legal or practical problems which might arise. The authority will expire at the next annual general meeting of the Company. The resolution replaces a similar resolution passed at the general meeting of the Company held on 13 February 2012.

Resolution 10 – Purchases of own shares by the Company (Special resolution)

Resolution 10 to be proposed at the Annual General Meeting seeks authority for the Company to make market purchases of its own ordinary shares, such authority being limited to the purchase of 10 per cent. of the ordinary shares in issue as at 17 April 2012.

The maximum price payable for the purchase by the Company of its own ordinary shares will be limited to an amount equal to the higher of 5 per cent. above the average of the middle market quotations of the Company's ordinary shares, as derived from The London Stock Exchange Daily Official List for the five business days prior to the purchase and the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System. The minimum price payable by the Company for the purchase of its own ordinary shares will be £0.002 per share (being the amount equal to the nominal value of an ordinary share). The authority to purchase the Company's own ordinary shares will only be exercised if the Directors consider that there is likely to be a beneficial impact on earnings per share and that it is in the best interests of the Company at the time. The resolution renews a similar resolution passed at the annual general meeting of the Company held on 11 May 2011. Company law allows the Company to hold in treasury any shares purchased by it using its distributable profits. Such shares will remain in issue and capable of being re-sold by the Company or used in connection with certain of its share schemes.

Resolution 11 – Political donations (Ordinary resolution)

Part 14 of the 2006 Act requires companies to seek shareholder approval for donations to or expenditure incurred in connection with any political party, political organisation or independent election candidate.

Although the Company does not intend (and none of its subsidiaries intend) to make donations to political parties, political organisations or to independent election candidates, within the normal meaning of that expression, the definition in the legislation of "political donations" and "political expenditure" can extend to bodies such as those concerned with policy review, law reform, the representation of the business community and special interest groups, which the Company might wish to support. Accordingly, the Company is seeking authority for it (and its subsidiaries) to make donations up to an aggregate amount of £100,000.

Resolution 12 – Amendment to the Company's share option schemes (Ordinary resolution)

In accordance with investor guidelines, the Company's share incentive arrangements contain limits on the number of ordinary shares over which options and awards may be granted, such that the Company's commitments to issue new ordinary shares must not exceed 10 per cent. of the issued ordinary share capital of the Company (adjusted for share issuance and cancellation) in any rolling 10 year period ("Headroom Limits"). However, the way in which the Headroom Limits are calculated under each of the Company's share incentive plans are not consistent.

The rules of the London Mining Plc Long-Term Incentive Plan (the "LTIP") (but not the Company's other share plans) specifically exclude from the Headroom Limits share options and awards over 2,830,000 ordinary shares representing 2.07 per cent. of the Company's current issued ordinary share capital which were granted prior to the admission of the Company's ordinary shares to Oslo Axess on 9 October 2007.

However, the Headroom Limits in the London Mining Plc No.1 Plan (the "No. 1 Plan"), the London Mining Plc No. 2 Plan (the "No. 2 Plan") and the London Mining Plc Company Share Option Plan (the "CSOP") do not exclude option grants made prior to the admission of the Company's ordinary shares to Oslo Axess.

As at 17 April 2012 (being the latest practicable date prior to the publication of this notice), the Company has, in the last 10 years, granted share options or awards which have either been satisfied by the issue of new ordinary shares or continue to exist and expect to be satisfied by the issue of new ordinary shares over, in aggregate, 11,356,383 ordinary shares representing 8.3 per cent. of the Company's current issued ordinary share capital.

This means that of the Headroom Limits as set out in the LTIP, 3.77 per cent. is available to be committed in order to satisfy new share awards and of the Headroom Limits set out in the Company's other share incentive plans, 1.7 per cent. is available to be committed in order to satisfy new share options.

The Remuneration Committee therefore propose the Headroom Limits in the No. 1 Plan, the No. 2 Plan and the CSOP are amended so that they are consistent with the Headroom Limits in the LTIP for the following reasons:

- to align the terms of these share plans with the terms of the LTIP; and
- to reflect the standard market practice that share options and awards granted before a listing are excluded from Headroom Limits.

Subject to the above, the Headroom Limits in each of the Company's share incentive plans will be subject to an overall 10 per cent. dilution limit.

Resolution 13 – Adoption of the London Mining Plc Deferred Bonus Plan (the “Plan”) (Ordinary Resolution)

This resolution gives approval for the adoption of the Plan by the Board. The Plan allows the Company's employees and Directors to elect to waive some or all of their annual bonus in return for a right to a nil-cost share option over shares with a market value (at the date of grant) equal to the amount of the potential gross bonus waived. Usually the option will be exercisable after three years' of continuous service. Any bonus paid pursuant to the Plan will be a deferral of any original bonus entitlement which would have otherwise become payable.

This proposal seeks to further enhance the Company's short to medium term bonus arrangements so that they are better able to: (i) ensure retention of key executives and senior employees, (ii) align the interests of participants with those of shareholders by focusing on delivering value to shareholders and (iii) preserve the Company's cash reserves.

It also addresses certain practices and trends amongst mining companies which have adopted comparable plans which allow participants to waive all or part of their potential annual bonus in return for a right to a deferred conditional payment. Given the global marketplace in which the Company operates, the Board believes that the bonus arrangements currently offered to the Company's senior employees and executives should provide additional flexibility in the form of share awards to maintain the Company's competitiveness against its peers.

Further information regarding the principal terms of the Plan have been provided in the Appendix set out on pages 12 to 14 of this document.

Resolution 14 – Amendment to the limit on Directors' fees (Ordinary resolution)

The current Articles of Association of the Company contain a cap of £400,000 per annum on the amount payable to Directors by way of Directors' fees. This amount applies to Directors' fees paid to Non-executive Directors as opposed to fees paid to Executive Directors pursuant to their service contracts. In the 12 months ended 31 December 2011, Directors' fees payable to the Company's Non-executive Directors amounted to £303,200. London Mining is an expanding company and, as set out in the 2011 Annual Report, is looking to enhance its corporate governance structure by appointing two additional Non-executive Directors in 2012. In order to recruit candidates with the appropriate skills and experience, to continue to remunerate the existing Non-executive Directors in line with market rates and to retain flexibility for future board appointments, resolution 14 proposes that the cap on the amount payable to Directors by way of fees be increased to £700,000.

3. Annual General Meeting and action to be taken

The Annual General Meeting is being convened at 11.00 a.m. on 23 May 2012 and will be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL. The notice of Annual General Meeting is set out on pages 7 to 11 of this document.

You are asked to complete and sign the enclosed Form of Proxy and return it, together with any power of attorney or other authority under which it is signed or a notarially certified or office copy thereof in accordance with the instructions printed on it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and, in any event, to arrive by no later than 11.00 a.m. on 21 May 2012. Alternatively, if you hold your ordinary shares in uncertificated form, you may use the CREST electronic proxy appointment service, details of which are set out in Note (iii) to the Notice of Annual General Meeting.

Completion and return of the Form of Proxy or appointment of a proxy through CREST does not prevent you from attending the Annual General Meeting and voting in person should you wish to do so.

4. Recommendation

The Board believes that all of the resolutions to be put to the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Accordingly, the Board unanimously recommends that shareholders vote in favour of all of the resolutions, as the Directors intend to do in respect of their own beneficial shareholdings in the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C. Knight', with a large, stylized flourish extending from the end of the signature.

Dr. Colin Knight
Chairman

NOTICE OF ANNUAL GENERAL MEETING

LONDON MINING PLC

(Registered in England and Wales with no. 5424040)

NOTICE is hereby given that the Annual General Meeting of London Mining Plc (the “**Company**”) will be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL on 23 May 2012 at 11.00 a.m. for the transaction of the following business of which resolutions 1 to 8 and 11 to 14 will be proposed as ordinary resolutions and of which resolutions 9 and 10 will be proposed as special resolutions:

1. THAT the Company’s annual accounts for the year ended 31 December 2011, together with the Directors’ report and the Auditors’ report on those accounts and on the auditable part of the Directors’ remuneration report, be received and adopted.
2. THAT the Directors’ remuneration report for the year ended 31 December 2011, which is set out in the annual report of the Company for the year ended 31 December 2011, be approved.
3. THAT Rachel Rhodes be re-elected as a Director.
4. THAT Malcolm Groat be re-elected as a Director.
5. THAT Colin Harris be elected as a Director.
6. THAT Deloitte LLP be reappointed as auditors to the Company until the conclusion of the next Annual General Meeting of the Company.
7. THAT the Directors be authorised to fix the auditors’ remuneration.
8. THAT for the purposes of section 551 Companies Act 2006 (and so that expressions used in this resolution shall bear the same meanings as in the said section 551):
 - 8.1 the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares and to grant such subscription and conversion rights as are contemplated by sections 551(1)(a) and (b) of the Companies Act 2006 (the “Act”) respectively up to a maximum nominal amount of £91,211.31 to such persons and at such times and on such terms as they think proper during the period expiring at the end of the next Annual General Meeting of the Company (unless previously revoked or varied by the Company in general meeting); and further
 - 8.2 the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (as defined in section 560 of the Act) in connection with a rights issue in favour of the holders of equity securities and any other persons entitled to participate in such issue where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as maybe) to the respective number of equity securities held by them up to an aggregate nominal amount of £91,211.31 during the period expiring at the end of the next Annual General Meeting of the Company subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory;
 - 8.3 the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require such shares or rights to be allotted or granted after the expiry of the said period and the Directors may allot such shares or grant such rights in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution,

so that all previous authorities of the Directors pursuant to the said section 551 be and are hereby revoked.

9. THAT, subject to the passing of resolution 8 set out in the Notice convening this Meeting, the Directors be and are 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 such shares or grant such rights by that resolution, as if section 561(1) and sub-sections (1) - (6) of section 562 of the Act did not apply to any such allotment, provided that the power conferred by this resolution shall be limited to:

9.1 the allotment of equity securities in connection with an issue or offering in favour of holders of equity securities (but in the case of the authority granted under resolution 8.2 by way of a rights issue only) and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective number of equity securities held by or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory; and

9.2 the allotment (otherwise than pursuant to paragraph 9.1 above) of equity securities up to an aggregate nominal value not exceeding £27,363.39;

and this power, unless renewed, shall expire at the end of the next Annual General Meeting of the Company 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.

10. THAT the Company be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Companies Act 2006 (the “Act”) to make market purchases (as defined in section 693 of the Act) of ordinary shares of £0.002 each in the capital of the Company (“ordinary shares”) provided that:

10.1 the maximum number of ordinary shares hereby authorised to be purchased is 13,681,696;

10.2 the minimum price (exclusive of expenses) which may be paid for such ordinary shares is £0.002 per share, being the nominal amount thereof;

10.3 the maximum price (exclusive of expenses) which may be paid for such ordinary shares shall be an amount equal to the higher of (i) 5 per cent. above the average of the middle market quotations for such shares taken from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made and (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System;

10.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the end of the next Annual General Meeting of the Company and the date which is 18 months after the date on which this resolution is passed; and

10.5 the Company may make a contract to purchase its own ordinary shares under the authority conferred by this resolution prior to the expiry of such authority, and such contract will or may be executed wholly or partly after the expiry of such authority, and the Company may make a purchase of its own ordinary shares in pursuance of any such contract.

11. THAT, in accordance with sections 336 and 367 of the Companies Act 2006 (the “Act”), the Company and any Company which is, or becomes, a subsidiary of the Company during the period to which this resolution relates, be and hereby is authorised to make political donations and incur political expenditure, as defined in sections 364 and 365 of the Act, not exceeding £100,000 in total during the period beginning with the date of the passing of this resolution and ending at the conclusion of the Company’s next following Annual General Meeting.

12. THAT the rules of the London Mining Plc No. 1 Share Option Plan, the London Mining Plc No. 2 Share Option Plan and the London Mining Plc HM Revenue & Customs Approved Company Share Option Plan be and are hereby amended as follows:
- (i) a new Rule 2.4 in the London Mining Plc No. 1 Share Option Plan shall be inserted, stating:
“For the purposes of Rule 2.1, shares in respect of which rights to subscribe for new shares were granted before Admission shall be left out of account.”
 - (ii) a new Rule 2.4 in the London Mining Plc No. 2 Share Option Plan shall be inserted, stating:
“For the purposes of Rule 2.1, shares in respect of which rights to subscribe for new shares were granted before Admission shall be left out of account.”
 - (iii) a new definition shall be added to Rule 1 of the London Mining Plc HM Revenue & Customs Approved Company Share Option Plan, as follows:
“Admission” the admission of any part of the Company’s share capital to trading on a regulated market or stock exchange;
 - (iv) a new Rule 4.4 in the London Mining Plc HM Revenue & Customs Approved Company Share Option Plan shall be inserted, stating:
“For the purposes of Rule 4.1, Shares in respect of which rights to subscribe for new shares were granted before Admission shall be left out of account.”
13. That the Company’s Deferred Bonus Plan, the principal terms of which are summarised on pages 12 to 14 to this Notice and the draft rules for which are produced to the meeting and initialled by the Chairman for purposes of identification be hereby approved and the Directors be and are hereby authorised to do all such acts and things as they consider necessary or desirable for the purposes of implementing and giving effect to the Deferred Bonus Plan.
14. THAT the aggregate fees per annum payable to the Directors under Article 94 of the Articles of Association of the Company be increased to £700,000.

BY ORDER OF THE BOARD

Rohit Bhoothalingam

Company Secretary

Date: 18 April 2012

Registered Office: 103 Wigmore Street, London W1U 1QS

Notes:

- (i) A member entitled to attend and vote at the Annual General Meeting convened by the above Notice is entitled to appoint a proxy to exercise all or any of the rights of the member to attend and speak and vote on his behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the Annual General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. The right to appoint a proxy does not apply to any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the “**2006 Act**”) to enjoy information rights (a “**Nominated Person**”).
- (ii) To appoint a proxy you may:
 - (a) use the Form of Proxy enclosed with this Notice of Annual General Meeting. 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 or office copy of the same, must be received by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, in each case no later than 11.00 a.m. on 21 May 2012 (or in the case of an adjournment of the Annual General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)); or

- (b) if you hold your ordinary shares in uncertificated form, use the CREST electronic proxy appointment service as described in Note (iii) below.

Completion of the Form of Proxy or appointment of a proxy through CREST will not prevent a member from attending and voting in person.

- (iii) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent (ID 3RA50), by 11.00 a.m. on 21 May 2012 (or in the case of an adjournment of the Annual General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

- (iv) Any member or his proxy attending the Annual General Meeting has the right to ask any question at the Annual General Meeting relating to the business of the Annual General Meeting.
- (v) Pursuant to section 360B of the 2006 Act and Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only shareholders registered in the register of members of the Company as at 6.00 p.m. on 21 May 2012 shall be entitled to attend and vote at the Annual General Meeting in respect of the number of shares registered in their name at such time. If the Annual 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 Annual General Meeting is 6.00 p.m. on the day preceding the date fixed for the adjourned Annual General 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 Annual General Meeting.
- (vi) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (vii) The following documents are available for inspection at the registered office of the Company, 103 Wigmore Street, London W1U 1QS, during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this Notice until the conclusion of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting:
- (a) copies of the terms and conditions of appointment of the Non-executive Directors; and
 - (b) the rules of the London Mining Plc No. 1 Share Option Plan, the London Mining Plc No. 2 Share Option Plan, the CSOP and the London Mining Plc Deferred Bonus Plan.
- (viii) As at 17 April 2012 (being the last business day prior to the publication of this Notice) the Company’s issued share capital consists of 136,816,960 ordinary shares, carrying one vote each and 75,739,010 deferred shares which do not carry voting rights. Therefore, the total voting rights in the Company as at 17 April 2012 are 136,816,960.
- (ix) The information required to be published by s.311(A) of the 2006 Act (information about the contents of this notice and numbers of shares in the company and voting rights exercisable at the meeting and details of any members’ statements, members’ resolutions and members’ items of business received after the date of this notice) may be found at www.londonmining.co.uk.
- (x) A Nominated Person may under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and speak and vote at the Annual General Meeting. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.

- (xi) If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the Annual General Meeting, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the Annual General Meeting. Such Nominated Persons are advised to contact the members who nominated them for further information on this.

Appendix

Summary of the rules of the London Mining Plc Deferred Bonus Plan (the “Plan”)

(a) Eligibility

All employees, including directors, are eligible to participate in the Plan at the discretion of the Remuneration Committee. However, it is initially intended that only executive directors and certain senior managers will be selected to participate (“**Participants**”).

(b) Type of Awards

A Participant may defer all of any potential gross bonus in the form of a nil-cost option over new or existing ordinary shares in the share capital of the Company (“**Ordinary Shares**”) equal to the amount of the deferred bonus (“**Awards**”).

Awards may be granted by the Remuneration Committee or Baccatta Trustees Limited acting as trustee of the London Mining Employee Incentive Trust (in each case, the “**Grantor**”).

Usually awards will vest following three years’ of continuous service commencing from the date of grant. However, the Grantor may in its discretion allow Awards to vest earlier if it considers it appropriate to do so.

The Grantor has discretion to grant Awards which are subject to a different objective performance condition or vesting criteria and may amend such conditions or criteria. The Board may (with the consent of the Grantor, where appropriate), in appropriate circumstances, amend the conditions relating to an Award if an event has occurred or events have occurred in consequence of which the Board reasonably considers that the existing conditions should be so amended or waived to ensure that the objective criteria against which the performance of the Company will then be measured will be a fairer measure of such performance and that any amended condition will afford a more effective incentive to the Participant.

The Remuneration Committee may clawback all or a proportion of the Award or the Ordinary Shares acquired pursuant to the Award or the proceeds of sale of such Ordinary Shares in the exceptional circumstances of misconduct or misstatement by the Participant.

No Awards may be granted during a ‘close period’ arising as a result of the Company’s internal share dealing rules. In addition, no awards may be granted more than 10 years after the adoption of the Plan.

(c) Individual Limits

The aggregate market value of Ordinary Shares subject to Awards granted to a Participant under the Plan shall not exceed 100 per cent. of any potential gross bonus amount in respect of any year (or other applicable period). For the purposes of calculating market value, it is intended that reference will be made to the closing market price of an Ordinary Share in the Company on the dealing day preceding the relevant date of grant.

(d) Scheme Limits

The number of Ordinary Shares over which (or in respect of which) Awards may be granted under the Plan on any date shall be limited so that the total number of Ordinary Shares issued and issuable pursuant to the Plan and any other share scheme operated by the Company (including the London Mining Long Term Incentive Plan, the London Mining Plc No.1 Share Option Plan, the London Mining Plc No. 2 Share Option Plan and the London Mining Plc Joint Share Ownership Plan) in any ten year period is restricted to ten per cent. of the Company’s issued Ordinary Shares calculated at the relevant time.

For the purposes of these limits no account will be taken of options or awards which (i) have lapsed, been surrendered or otherwise become incapable of exercise or vesting or (ii) granted prior to the admission of the Company's Ordinary Shares to trading on the Oslo Axess Stock Exchange on 9 October 2007. Treasury shares will be treated as newly issued shares for the purposes of these limits, but (for the avoidance of doubt) Ordinary Shares acquired in the market will not.

(e) Vesting of Awards

The Grantor will determine at the date of grant when Awards under the Plan will vest. Ordinarily, Awards will vest on the participant remaining an employee or officer of a group company until the third anniversary of the date of grant. However, the Grantor may in its discretion allow Awards to vest earlier if it considers it appropriate to do so.

The Board may specify on the relevant date of grant that participants, when they call for their Award, will be entitled to receive:

- (i) a cash sum equal to the value of dividends declared on the number Ordinary Shares acquired pursuant to the Award since the date of grant; or
- (ii) such additional Ordinary Shares as could have been acquired by the reinvestment of dividends paid on the on the number Ordinary Shares acquired pursuant to the Award, since the date of grant.

(f) Call of Award

Once the Award has vested, the Participant may call for the vested Ordinary Shares by issuing a call notice to the Company.

Within 30 days of the receipt of a call notice and a payment (or arrangements to pay) for any income tax and employee and, if applicable, employer National Insurance contributions due, the Ordinary Shares in respect of which the Award has been called for must be issued by the Company or the Company must procure their transfer (which for the purposes of the Plan includes the transfer of Ordinary Shares out of treasury) to the Participant and shall issue a definitive certificate in respect of the Ordinary Shares allotted or transferred. Ordinary Shares issued or transferred by the Company in connection with Awards will rank *pari passu* with existing Ordinary Shares.

Awards cannot be called for after the tenth anniversary of the date of grant unless, at the time of grant, the Remuneration Committee specifies a shorter period within which Awards may be called for and at the end of which Awards will lapse to the extent that a call has not been made.

(g) Termination of Employment

Awards (vested or unvested) will normally lapse on cessation of employment.

However, if a Participant is a 'good leaver' (i.e. if he dies or leaves employment through ill health, injury, disability, redundancy, or because his employing company or business is sold out of the Company's group or for any other reason determined by the Remuneration Committee (in its absolute discretion)), then the Award may be called for to the extent it has vested, at any time in the period ending six months after the Participant leaves.

Where the Participant is a 'good leaver' and the Award has not yet vested, the Remuneration Committee may either:

- accelerate the vesting of the Awards; or
- permit the Participant to retain the unvested Award until it vests.

In exercising its discretion as to the extent to which an unvested Award shall vest early the Remuneration Committee shall take into account:

- the amount of progress made by the Company towards meeting, if any, the performance target or condition relating to the unvested Award by reference to the relevant date of cessation; and
- any other factors which the Remuneration Committee considers, in its absolute discretion, to be relevant.

(h) Change of Control

If a change of control event occurs, such as a takeover, trade sale, compromise or arrangement, voluntary winding up or reconstruction (not being an internal reorganisation), all vested Awards may be called for and the Remuneration Committee will determine, in its absolute discretion, whether and to what extent subsisting unvested Awards shall vest and may be called for but taking into account all relevant factors and circumstances it deems appropriate including, but not limited to, the performance of the Company (where applicable), the period of time which has elapsed since the relevant date of grant and any other factors which the Remuneration Committee considers, in its absolute discretion, to be relevant.

(i) Variation of Share Capital

In the event of a capitalisation issue or offer by way of rights (including an open offer), or upon any consolidation, subdivision or reduction or other variation of the Company's capital (including in circumstances where a special dividend is paid or where a demerger event occurs), the number of Ordinary Shares in an Award may be adjusted by the Remuneration Committee (in such a way as the Remuneration Committee considers to be fair and reasonable).

(j) Amendments and General

No rights under an Award may be transferred by a participant to any other person except in the event of a participant's death when rights will be transferred to the participant's personal representative(s).

The Plan may be amended by the Remuneration Committee in any way provided that:

- (i) no amendment, addition or deletion may be made to the Plan which would materially prejudice the interests of participants in relation to Awards already granted to them unless the sanction of at least 75 per cent. of the participants (by value of subsisting Awards) has been obtained; and
- (ii) all amendments to the advantage of participants to the provisions relating to the definition of eligible employee, limits on the number of Ordinary Shares subject to the scheme, the maximum entitlement for any one participant or the basis for determining a participant's entitlement to and the terms of Ordinary Shares to be provided and adjustment thereof, if any, in the event of a capitalisation issue, rights issue, subdivision or consolidation of Ordinary Shares or reduction of capital or any other variation of capital will require the prior consent of the Company in general meeting unless they are minor amendments to benefit the administration of the scheme or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the Company or a member of the group.

The Remuneration Committee may amend the Plan by way of separate schedules to enable it to be operated overseas, provided that the terms of the separate schedules are not overall more favourable than the terms of the Plan.