

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART 2 OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Obtala Resources plc (“Old Obtala”), subject to applicable laws, you should immediately forward this document and the accompanying documents but not any personalised form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

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

This document should be read in conjunction with the Appendix to AIM Announcement relating to Obtala Resources Limited (“New Obtala”), prepared in accordance with the AIM Rules and made available to the public in accordance with Rule 3 of the AIM Rules. The Appendix to AIM Announcement can be accessed in electronic form via <http://www.obtalaresources.co.uk/content/investors>.

Recommended proposals to establish

Obtala Resources Limited

(incorporated in Guernsey with registered number 52184)

as the holding company of Obtala Resources plc
(to be re-registered as a private company and renamed Obtala Services Limited)

**by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

This document constitutes a financial promotion and has been approved in the United Kingdom by ZAI Corporate Finance Limited solely for the purposes of section 21 of FSMA.

ZAI Corporate Finance Limited, which is authorised and regulated by the Financial Services Authority, is acting for Old Obtala and New Obtala and no-one else in relation to the Proposals and will not be responsible to anyone other than Old Obtala and New Obtala for providing the protections afforded to clients of ZAI Corporate Finance Limited or for providing advice in relation to the Proposals or any other matter referred to in this document.

A letter from the Chairman of Old Obtala, which contains the unanimous recommendation of the Directors of Old Obtala to vote in favour of the Proposals, is set out in Part 1 of this document. Meetings to consider the Proposals will be held on 31 August 2010 at 10.00 a.m. The Court Meeting will start at 10.00 a.m. on that date and the General Meeting at 10.10 a.m. (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the Court Meeting and the General Meeting are set out in Part 5 of this document. A summary of the action recommended to be taken by holders of Old Obtala Shares is set out on pages 10 and 22 of this document.

You will find enclosed with this document a blue form of proxy for use in connection with the Court Meeting and a white form of proxy for use in connection with the General Meeting. Whether or not you intend to be present at the meetings, please complete and return these forms of proxy to Old Obtala’s registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event so as to arrive by not later than 48 hours before the time appointed for the relevant meeting (although the blue form of proxy for the Court Meeting may be handed to Old Obtala’s registrars or to the Chairman immediately prior to the Court Meeting). The return of a completed form of proxy will not prevent you from attending the Court Meeting and/or General Meeting and voting in person if you so wish and are so entitled.

Application will be made to London Stock Exchange for the New Obtala Shares to be admitted to trading on AIM. If the Scheme proceeds as presently envisaged, it is expected that dealings in Old Obtala Shares will continue until close of business on 16 September 2010 and that admission to AIM of the New Obtala Shares will become effective will commence, on 17 September 2010.

THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR EXCHANGE OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY OR EXCHANGE ANY SECURITY OR TO BECOME A MEMBER OF NEW OBTALA. NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF THE APPLICABLE LAW.

Securities may not be offered or sold in the United States unless they are registered under the US Securities Act of 1933, as amended, or are exempt from such registration. The New Obtala Shares will not be, and are not required to be, registered with the US Securities and Exchange Commission under the US Securities Act of 1933, as amended, in reliance on the exemption from registration provided by Section 3(a)(10) thereof. **Neither the SEC nor any other securities commission or regulatory authority of any state or other jurisdiction of the United States has approved or disapproved the New Obtala Shares or passed an opinion on the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.**

INFORMATION FOR UNITED STATES SHAREHOLDERS

In the United States, this document is being furnished to Old Obtala Shareholders solely to explain the Proposals and describe the action recommended to be taken by Old Obtala Shareholders in relation to the Court Meeting and General Meeting. This document is personal to each Old Obtala Shareholder and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire New Obtala Shares. This document is not an offer of securities for sale in the United States. The New Obtala Shares to be issued to Old Obtala Shareholders in connection with the Scheme will not be, and are not required to be, registered with the SEC under the US Securities Act in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) of that act. For the purpose of qualifying for the Section 3(a)(10) exemption with respect to the New Obtala Shares issued pursuant to the Scheme, Old Obtala will advise the High Court that it will rely on the Section 3(a)(10) exemption based on the High Court's sanctioning of the Scheme, which will be relied upon by Old Obtala as an approval of the Scheme following a hearing on its fairness to Old Obtala Shareholders at which hearing all such Old Obtala Shareholders will be entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been or will be given to all such shareholders.

The solicitation of proxies is not subject to the requirements of Section 14(a) of the US Exchange Act. Accordingly, this document has been prepared in accordance with the applicable disclosure requirements of England and Wales. Old Obtala Shareholders should be aware that such requirements are different from those of the United States.

Enforceability of judgments

Old Obtala is a public limited company incorporated under the laws of England and Wales and New Obtala is a private company limited by shares incorporated under the laws of Guernsey. All of the Directors of New Obtala and Old Obtala are citizens or residents of countries other than the United States. Substantially all or a significant portion of the assets of such persons and a significant proportion of the assets of the Old Obtala are located outside the United States. As a result, it may not be possible to effect service of process within the United States upon such persons or New Obtala and/or Old Obtala, or to enforce against them judgments of US courts, including judgments predicated upon civil liabilities under the securities laws of the United States or any state, territory or other jurisdiction within the United States. There is substantial doubt as to the enforceability in the United Kingdom of original actions or of actions for enforcement of judgments of US courts, based on the civil liability provisions of US federal securities laws.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains certain “forward-looking statements”, including statements about current beliefs and expectations of the Directors. In particular, the words “expect”, “anticipate”, “estimate”, “may”, “should”, “plans”, “intends”, “will”, “believe” and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward-looking statements. These statements are based on the Board’s expectations of external conditions and events, current business strategy, plans and the other objectives of management for future operations, and estimates and projections of Old Obtala’s financial performance. Although the Board believes these expectations to be reasonable at the date of this document they may prove to be erroneous. Forward-looking statements involve known and unknown risks and uncertainties and speak only as of the date they are made. You are hereby cautioned that certain important factors could cause actual results, outcomes, performance or achievements of Old Obtala or New Obtala or industry results to differ materially from those expressed or implied in forward-looking statements. These factors include, but are not limited to, those described in the “Risk Factors” section of the Appendix to AIM Announcement and which can be accessed at <http://www.obtalaresources.co.uk/content/investors>.

Save as required by the AIM Rules, the London Stock Exchange or applicable law, Old Obtala undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Board’s expectations or to reflect events or circumstances after the date of this document.

TABLE OF CONTENTS

	<i>Page</i>
PART 1 LETTER FROM THE CHAIRMAN	6
PART 2 EXPLANATION OF THE SCHEME AND ITS EFFECTS	12
PART 3 ADDITIONAL INFORMATION	23
PART 4 SCHEME OF ARRANGEMENT	41
PART 5 NOTICE OF MEETINGS	46
PART 6 DEFINITIONS	54

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time for receipt by the Registrars of blue form of proxy from Old Obtala Shareholders for the Court Meeting ¹	10.00 a.m. on 29 August 2010
Latest time for receipt by the Registrars of white form of proxy from Old Obtala Shareholders for the General Meeting	10.10 a.m. on 29 August 2010
Voting record time for the Court Meeting and the General Meeting ²	6.00 p.m. on 29 August 2010
Court Meeting	10.00 a.m. on 31 August 2010
General Meeting ³	10.10 a.m. on 31 August 2010
Last time of dealings in Old Obtala Shares and for registration of transfers in Old Obtala Shares ⁴	5.00 p.m. on 16 September 2010
Scheme Record Time ⁴	6.00 p.m. on 16 September 2010
Court Hearing of application to sanction the Scheme	16 September 2010
Scheme Effective Date ⁴	16 September 2010
Delisting of Old Obtala Shares, admission of New Obtala Shares, crediting of New Obtala Shares in uncertificated form to CREST accounts and commencement of dealings in New Obtala Shares on AIM ⁴	8.00 a.m. on 17 September 2010
Dispatch of share certificates in respect of New Obtala Shares in certificated form ⁴	Within 14 days of the Scheme Effective Date

All references to time in this document are to London time unless otherwise stated. The dates given are based on the Directors' expectations and may be subject to change.

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- 1 Blue forms of proxy for the Court Meeting not returned by this time may be handed to the Chairman or the Registrars at the Court Meeting prior to the vote being taken. (To be valid, white forms of proxy for the General Meeting must be lodged at least 48 hours before the time appointed for the General Meeting.)
 - 2 If either the Court Meeting or the General Meeting is adjourned, the voting record time for the adjourned meeting will be 6.00 p.m. on the date falling two days before the adjourned meeting.
 - 3 To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned.
 - 4 These times and dates are indicative only and will depend, amongst other things, on whether the Court Meeting and the General Meeting are adjourned for any reason and the date on which the Court sanctions the Scheme.

PART 1

LETTER FROM THE CHAIRMAN

Obtala Resources plc

(Registered in England and Wales Registered No: 06458554)

Directors:

Francesco Scolaro (*Executive Chairman*)
Simon Rollason (*Managing Director*)
Michael Bretherton (*Finance Director*)
Nicholas Clarke (*Non-Executive Director*)
Lord St. John of Bletso (*Non-Executive Director*)

Registered Office:

Fifth Floor
17 Hanover Square
London
W1S 1HU

6 August 2010

To the holders of Old Obtala Shares

Dear Shareholder,

Recommended proposals relating to the introduction of a new holding company

1. Introduction

On 6 August 2010, Old Obtala announced details of the Proposals. If the Scheme is implemented, a new holding company of the Obtala Group, New Obtala, will be put in place, through a High Court approved scheme of arrangement under sections 895 to 899 of the Act (“the Scheme”). New Obtala, which is incorporated in Guernsey, will be called Obtala Resources Limited and an application will be made for its shares to be admitted to trading on AIM. There will be no substantive changes to corporate governance and investor protection measures. In particular, New Obtala intends to comply with the Combined Code to the same extent that Old Obtala does currently. The Takeover Code will not apply to New Obtala, but the New Obtala Articles contain provisions which replicate some, but not all, of the requirements of the Takeover Code.

If the Scheme is approved and becomes effective, it will result in Old Obtala Shareholders holding New Obtala Shares in precisely the same proportions in which they hold Old Obtala Shares immediately prior to the Scheme becoming effective and in Old Obtala becoming a wholly-owned subsidiary of New Obtala. Under the Scheme, Old Obtala Shareholders at the Scheme Record Time will receive, in exchange for their Old Obtala Shares, New Obtala Shares on the following basis:

for every one Old Obtala Share one New Obtala Share

Accordingly, immediately upon the Scheme becoming effective and the New Obtala Acquisition of Own Shares having been completed, a New Obtala Shareholder will have the same proportionate interest in the profits, net assets and dividends of New Obtala as they have as in Old Obtala immediately prior to the Scheme becoming effective. New Obtala will have the same business and operations immediately after the Scheme Effective Date as Old Obtala has immediately before the Scheme Effective Date. The assets and liabilities of the New Obtala immediately after the Scheme Effective Date will not differ from the assets and liabilities Old Obtala had before the Scheme Effective Date.

The rights attached to the New Obtala Shares following the Scheme will be, for all practical purposes, the same as the rights attached to the Old Obtala Shares. A number of differences exist between the Old Obtala Articles and the New Obtala Articles, arising as a consequence of New Obtala being a Guernsey-incorporated company (which means that all of Guernsey company law will apply to New Obtala) rather than incorporated under English law. The principal differences between the Old Obtala Articles and New Obtala Articles are explained in paragraph 1 of Part 3 of this document.

Following the General Meeting, Old Obtala will be re-registered as a private company and, in order to avoid confusion with New Obtala, the name of Old Obtala will be changed to Obtala Services Limited.

The purpose of this document is to explain the Proposals and why your Board considers the Proposals to be in the best interests of Old Obtala and its shareholders as a whole. **Your Board is unanimously recommending that you vote in favour of the Proposals as they all intend to do in respect of their entire holding of Old Obtala Shares.** A summary of the action recommended to be taken is set out on pages 10 and 22 of this document and on the forms of proxy accompanying this document.

2. Reasons for the Proposals

The principal activity of Old Obtala is mineral extraction, exploration and development. Old Obtala has augmented its pure mining exploration and development activities with complimentary investment activities, focusing on global opportunities in the natural resources sector. This has enabled Old Obtala to take advantage of investments in undervalued resource assets and to exploit potential synergies and strategic alliance opportunities. All of the Company's mineral exploration and extraction assets are held outside of the UK, principally in Tanzania and Sierra Leone.

In recognition of the global nature of Old Obtala's businesses, the Old Obtala Board believes that the Obtala Group's future development will be assisted by:

- having an international holding company that facilitates flexibility in the formation of new subsidiary businesses with partners in jurisdictions globally; and
- increased international exposure at a board level at this time of significant structural change and opportunity globally.

In order to implement this, the Old Obtala Directors consider that the most appropriate structure is for Old Obtala to have a group holding company in Guernsey. Guernsey has been chosen because it meets the necessary commercial criteria, while also allowing continued settlement of trading in New Obtala's shares through CREST.

Following the implementation of the Scheme, the New Obtala Directors intend New Obtala to adopt the existing dividend and share repurchase policies of Old Obtala i.e. the New Obtala Directors do not have any current intention of paying dividends or buying back shares in New Obtala.

3. Outline of the proposals

3.1 *The Scheme*

Under the Scheme, New Obtala will issue New Obtala Shares to Old Obtala Shareholders in the ratio set out in paragraph 1 of Part 1 of this document in consideration for the cancellation of the Scheme Shares and the issue of new shares in Old Obtala to New Obtala.

Following the cancellation of the Scheme Shares, the share capital of Old Obtala will be restored to its former nominal amount and the credit arising in the books of Old Obtala as a result of the cancellation will be applied in paying up in full new shares in Old Obtala such that the aggregate nominal value of those shares equals the aggregate nominal value of the Scheme Shares cancelled. The new shares in Old Obtala will be issued to New Obtala which will, as a result, become the holding company of Old Obtala and the Obtala Group. New Obtala will in turn issue New Obtala Shares to former Old Obtala Shareholders on a one-for-one basis.

The New Obtala Shares to be issued pursuant to the Scheme will have a nominal value of 1 penny each but will be recorded in New Obtala's books of accounts at fair value (being equal to the Closing Price of the Old Obtala Shares on the day prior to their delisting). This will give rise to the creation of a substantial share premium account in New Obtala.

3.2 *Old Obtala Reduction of Capital*

In order to best match the corporate structure to the ongoing commercial demands of an international group with international investors, it is considered important that the certain assets of the Obtala Group are held by the holding company of the Obtala Group, and not by a subsidiary. It is intended that this will be achieved in two ways.

Following the Scheme having become effective:

- (i) It is intended that an amount equal to its profits available for distribution be paid by Old Obtala to New Obtala by way of dividend.
- (ii) It is also intended that, following the re-registration of Old Obtala as a private company, the Old Obtala Reduction of Capital will be implemented. What is proposed is that Old Obtala's share premium account be reduced and that its merger reserve account be capitalised and the resultant capital then cancelled. The reserve resulting from the Old Obtala Reduction of Capital will then be paid to New Obtala.

Because Old Obtala will no longer be a public company, the Old Obtala Reduction of Capital can be implemented using the procedures set out in section 641 of the Act (and the subsequent sections). This will involve New Obtala (which will by then be the sole shareholder in Old Obtala) passing a special resolution of Old Obtala and the directors of Old Obtala making a solvency statement, which will be filed with Companies House. Each director of Old Obtala will be required to declare in the solvency statement that he has formed the opinion, that as regards to the situation of Old Obtala at the date of the statement, there is no grounds on which Old Obtala could then be found to be unable to pay (or otherwise discharge) its debts. This solvency statement must also state that directors of Old Obtala have formed the opinion that Old Obtala will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the statement.

It is expected that the Old Obtala Reduction of Capital will become effective within three months of the Scheme becoming effective.

It is possible that the payments made by way of dividend and/or as part of the Old Obtala Reduction of Capital will be made *in specie* i.e. that assets will be transferred by Old Obtala to New Obtala in lieu of payment in cash.

3.3 *New Obtala Acquisition of Own Shares*

Immediately following the Scheme becoming effective, the New Obtala Acquisition of Own Shares will be implemented using the procedure described in the following paragraph. The New Obtala Acquisition of Own Shares is to repurchase the two New Obtala Initial Ordinary Shares for 1 penny each, so as to ensure that, following the completion of the New Obtala Acquisition of Own Shares, New Obtala has the same issued share capital that Old Obtala currently has i.e. 222,153,252 ordinary shares.

The acquisition of own shares by a Guernsey company is considered to be a "distribution" for the purposes of the Guernsey Companies Law. Under the Guernsey Companies Law, New Obtala may pay the distribution if the New Obtala Board is satisfied on reasonable grounds that New Obtala will, immediately after payment, satisfy the solvency test (as defined in the Guernsey Companies Law) and New Obtala satisfies any other requirement in its memorandum and articles of incorporation. The New Obtala Articles provide in relation to the acquisition of its own shares, that the New Obtala Shareholders must pass a special resolution in general meeting to approve the contract for an off-market acquisition of New Obtala Shares and must pass an ordinary resolution in general meeting to approve the on-market acquisitions of New Obtala Shares. If, after the distribution is authorised and before it is made, the New Obtala Board ceases to be satisfied on reasonable grounds that New Obtala will, immediately after payment, satisfy the solvency test, any distribution made by New Obtala is deemed not to have been authorised and accordingly, the acquisition of New Obtala Shares will not be effected.

Save for the New Obtala Acquisition of Own Shares, the New Obtala Directors do not have any current intention of paying dividends or buying back shares in New Obtala. Furthermore, the New Obtala Articles contain provisions which mirror the requirement under the Old Obtala Articles that shareholder approval is required for the payment of dividends and under English law that shareholder approval is required for the purchase by New Obtala of New Obtala Shares.

3.4 *New Obtala*

New Obtala will have the same business and operations immediately after the Scheme Effective Date as Old Obtala has immediately before the Scheme Effective Date. The assets and liabilities of the Obtala Group immediately after the Scheme Effective Date will not differ from the assets and liabilities it had before the Scheme Effective Date.

Immediately upon the Scheme becoming effective and the New Obtala Acquisition of Own Shares having been completed, a New Obtala Ordinary Shareholder will effectively have the same proportionate interest in the profits, net assets and dividends of Old Obtala as he/she currently has as an Old Obtala Shareholder immediately prior to the Scheme becoming effective.

Further information regarding New Obtala is contained in the Appendix to AIM Announcement which has been sent to Old Obtala Shareholders and which is available in electronic form on Old Obtala's website at <http://www.obtalaresources.co.uk/content/investors>. Further copies of the Appendix to AIM Announcement are available on request by writing to Old Obtala at its registered office or to the Registrars, at their offices at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Application will be made for the New Obtala Shares to be admitted to trading on AIM.

The last day of dealings in Old Obtala Shares is expected to be 16 September 2010. The last time for registration of transfers of Old Obtala Shares is expected to be 5.00 p.m. on 16 September 2010, the Scheme Record Date. It is expected that admission of New Obtala Shares will become effective and that dealings will commence at 8.00 a.m. on 17 September 2010.

These dates may be deferred if it is necessary to adjourn any meetings required to approve the arrangements described in this document or if there is any delay in obtaining the Court's sanction of the Scheme. In the event of a delay, the application for the Old Obtala Shares to be delisted will be deferred, so that the listing will not be cancelled until immediately before the Scheme takes effect.

3.5 *General*

The Scheme will not be implemented unless certain approvals are obtained, including the approval of the Scheme by the Old Obtala Ordinary Shareholders at the Court Meeting, the approval by the Old Obtala Ordinary Shareholders of certain resolutions required in connection with the Scheme at the General Meeting and the sanction of the Court. The Court Meeting and the General Meeting have been convened for 10.00 a.m. and 10.10 a.m. respectively on 31 August 2010.

The necessary shareholder resolution for New Obtala to adopt the New Obtala Articles has already been passed by the holders of the New Obtala Initial Ordinary Shares. Further information on the New Obtala Articles is contained in paragraphs 1 and 2 of Part 3 of this document.

A full explanation of the Scheme is contained in ZAI's explanatory letter in Part 2 of this document. Among other things, Part 2 of this document explains certain proposals relating to the treatment of Overseas Shareholders.

4. Taxation

Your attention is drawn to the general guidance on the tax position of Old Obtala Shareholders set out in paragraph 4 of Part 3 of this document.

Paragraph 4 of Part 3 of this document is intended as a guide only and any Old Obtala Shareholders who are in any doubt as to their tax position, or who are resident for tax purposes outside of the United Kingdom are strongly advised to consult an appropriate independent professional adviser.

5. Current trading and prospects

Historical unaudited financial information of the Old Obtala Group for the six months to 30 June 2010 has been announced today and a copy of the Interim Report filed on the Company's website. This discloses a loss before tax of £2.15 million for the period. Net equity attributable to shareholders of Old Obtala at 30 June 2010 was £36.2 million inclusive of cash and cash equivalents of £5.73 million.

The Old Obtala Board is confident that Obtala will make considerable progress during the remainder of 2010 and in particular, that the scale up of diamond mining operations in Sierra Leone is expected to create further value for shareholders. In addition Old Obtala will continue the exploration and development of its other mineral licences in Tanzania with the emphasis placed on gold and nickel projects as well as development of the Montara farming venture in Southern Tanzania. The Board may use a number of strategies to enhance shareholder value such as developing mineral licence assets using the Obtala Group's own team, development in partnership with other groups or by way of disposal or demerger and separate listing of mineral licence assets and businesses where appropriate.

6. Action to be taken

The Scheme requires approval by a simple majority by number of those Old Obtala Shareholders present and voting (either in person or by proxy) at the Court Meeting representing not less than 75 per cent. of the nominal value of the Old Obtala Shares voted by those Old Obtala Shareholders. To be effective, the Scheme also requires the passing of a special resolution at the General Meeting.

Further particulars of the Court Meeting and the General Meeting are contained in the explanatory letter from ZAI contained in Part 2 of this document.

In addition, the Scheme requires the confirmation of the Court. The court hearing to approve the Scheme is expected to be held on 16 September 2010.

You will find enclosed with this document:

- a blue form of proxy for use by Old Obtala Shareholders in respect of the Court Meeting; and
- a white form of proxy for use by Old Obtala Shareholders in respect of the General Meeting.

In order that the Court can be satisfied that the votes cast fairly represent the views of Old Obtala Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old Obtala Shareholders are therefore urged to attend the Court Meeting in person or by proxy.

Whether or not you propose to attend in person at the meeting in question, you are requested to complete, sign and return the forms of proxy to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event at least 48 hours before the time fixed for the relevant meeting or any adjournment thereof (alternatively the blue form of proxy for the Court Meeting, but not the white form of proxy for the General Meeting, may be handed to the Chairman of the Court Meeting or the Registrars immediately prior to the commencement of that meeting). The completion and return of a form of proxy will not prevent you from attending and voting in person at the Court Meeting and General Meeting, if you so wish and are so entitled.

7. Overseas Shareholders

If you are a citizen, resident or national of a jurisdiction outside the United Kingdom, your attention is drawn to paragraph 10 of Part 2 of this document for further details concerning the Scheme.

8. Financial advice

The Board has received financial advice in relation to the Proposals from ZAI. In providing such advice to the Board, ZAI has relied upon the Directors' commercial assessment of the terms of the Proposals.

9. Recommendation

The Board, having been advised by ZAI, considers the Proposals and their terms to be fair and reasonable. The Board also considers the Proposals and their terms to be in the best interests of Old Obtala Shareholders as a whole and accordingly, the Board unanimously recommends Old Obtala Shareholders to vote in favour of the Scheme at the Court Meeting and to vote in favour of the resolutions proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings of Old Obtala Shares, being in aggregate 72,310,000 Old Obtala Shares, which represent approximately 32.55 per cent. of Old Obtala's issued ordinary share capital as at 5 August 2010, the latest practicable date prior to publication of this document, and which represent approximately 32.55 per cent. of the votes attached to Old Obtala Shares in issue on 5 August 2010 that could be cast at the General Meeting.

10. Further information

Your attention is drawn to:

- the explanatory letter from ZAI in Part 2 of this document;
- the Scheme in Part 4 of this document; and
- the notices of meetings in Part 5 of this document.

Yours faithfully

Francesco Scolaro
Chairman

PART 2

EXPLANATION OF THE SCHEME AND ITS EFFECTS

(in compliance with Section 897 of the Companies Act 2006)

6 August 2010

To the holders of Old Obtala Shares

Dear Shareholder,

Recommended proposals relating to the introduction of a new holding company to be effected by means of a scheme of arrangement

1. Introduction

Today, Old Obtala announced its intention to change its corporate structure by putting in place a new Guernsey incorporated holding company, Obtala Resources Limited. The change of the corporate structure is to be effected by way of a scheme of arrangement under section 895 to 899 of the Act. The Scheme is subject to various conditions. If these conditions are satisfied and the Scheme is approved and implemented in full, New Obtala will own the entire issued share capital of Old Obtala. It is proposed that application is made for the New Obtala Shares to be admitted to trading on AIM upon implementation of the Scheme.

Your attention is drawn to the letter from the Chairman of Old Obtala in Part 1 of this document setting out the reasons for the Proposals and including the recommendation of the Board of Old Obtala to shareholders to vote in favour of the Scheme itself at the Court meeting and the resolutions relating to the Scheme to be proposed at the General Meeting.

We have been authorised by the Board of Old Obtala to write to you to explain the terms of the Scheme and to provide you with other relevant information. The details of the Scheme are set out in Part 4 of this document. The Notice of the Court Meeting at which approval for the Scheme will be sought and the Notice of the General Meeting at which resolutions relating to the Scheme will be proposed are set out in Part 5 of this document respectively.

2. Reasons for the Scheme

Reasons for the Scheme are set out in paragraph 2 of the Chairman's letter in Part 1 of this document.

3. Summary of the Proposals

3.1 *The Scheme*

The principal steps involved in the Scheme are as follows:

(i) *Cancellation of Scheme Shares*

Under the Scheme, all the Scheme Shares will be cancelled on the Scheme Effective Date (which is expected to be 16 September 2010). In consideration for the cancellation of the Scheme Shares, the Scheme Shareholders will receive, in respect of any Scheme Shares held as at the Scheme Record Time (6.00 p.m. on the Scheme Record Date):

for each Scheme Share held one New Obtala Share

With effect from the Scheme Effective Date, the rights attaching to the New Obtala Shares will be substantially the same as those attaching to the existing Old Obtala Shares. Upon the implementation of the Scheme and the New Obtala Acquisition of Own Shares having been completed, a New Obtala Shareholder will effectively have the same proportionate interest in the profits, net assets and dividends of the New Obtala as he currently has as an Old Obtala Shareholder.

A summary of the rights attaching the New Obtala Shares is set out in paragraph 2 of Part 3 of this document. A summary of the principal differences between the Old Obtala Articles and the New Obtala Articles is set out in paragraph 1 of Part 3 of this document.

(ii) *Establishing New Obtala as the new holding company of the Obtala Group*

Following the cancellation of the Scheme Shares, the share capital of Old Obtala will be restored to its former nominal amount and the credit arising in the books of Old Obtala as a result of the cancellation will be applied in paying up in full new shares in Old Obtala such that the aggregate nominal value of those shares equals the aggregate nominal value of the Scheme Shares cancelled. The new shares in Old Obtala will be issued to New Obtala which will, as a result, become the holding company of Old Obtala and the Obtala Group.

3.2 ***Re-registration of Old Obtala as a private company and change of name***

Following the General Meeting, Old Obtala will be re-registered as a private company and, in order to avoid confusion with New Obtala, the name of Old Obtala will be changed to Obtala Services Limited.

3.3 ***Issue of Deferred Share to New Obtala***

It is proposed that the Old Obtala Articles are amended to create one deferred share in the capital of Old Obtala which will not form part of the Scheme and will be held by New Obtala. This is to ensure that New Obtala is a member of Old Obtala at the Effective Date when the New Ordinary Shares are issued to New Obtala by Old Obtala. This is necessary in order to comply with a technical requirement of the Act. The rights attaching to the Deferred Share are set out in the notice of General Meeting at Part V of this document.

3.4 ***Old Obtala Reduction of Capital***

In order to best match the corporate structure to the ongoing commercial demands of an international group with an international investor base it is considered important that the certain assets of the Obtala Group are held by the holding company of the Obtala Group, and not by a subsidiary. It is intended that this will be achieved in two ways.

First, following the Scheme having become effective, it is intended that an amount equal to profits available for distribution be paid by Old Obtala to New Obtala by way of dividend. Secondly, it is proposed that following the Scheme having become effective and re-registration of Old Obtala as a private company, the Old Obtala Reduction of Capital will be implemented. It is intended that, Old Obtala's share premium account be reduced and that its merger reserve account be capitalised and the resultant capital then cancelled. The reserve resulting from Old Obtala Reduction of Capital will then be paid to New Obtala.

Because Old Obtala will no longer be a public company Old Obtala Reduction of Capital can be implemented using the procedures set out in section 641 of the Act (and the subsequent sections). This will involve New Obtala (which will by then be the sole shareholder in Old Obtala) passing a special resolution of Old Obtala and the directors of Old Obtala making a solvency statement, which will be filed with Companies House. Each director of Old Obtala will be required to declare in the solvency statement that he has formed the opinion, that as regards to the situation of Old Obtala at the date of the statement, there is no grounds on which Old Obtala could then be found to be unable to pay (or otherwise discharge) its debts. This solvency statement must also state that directors of Old Obtala have formed the opinion that Old Obtala will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the statement.

It is expected that the Old Obtala Reduction of Capital will become effective within three months of the Scheme becoming effective.

It is possible that the payments made by way of dividend and/or as part of the Old Obtala Reduction of Capital will be made *in specie* i.e. that assets will be transferred by Old Obtala to New Obtala in lieu of payment in cash.

3.5 *New Obtala Acquisition of Own Shares*

Immediately following the Scheme becoming effective, the New Obtala Acquisition of Own Shares will be implemented using the procedure described in the following paragraph. The New Obtala Acquisition of Own Shares is to be carried out in order to repurchase the two New Obtala Initial Ordinary Shares for 1 penny each, so as to ensure that, following the completion of the New Obtala Acquisition of Own Shares, New Obtala has the same issued share capital that Old Obtala currently has i.e. 222,153,252 ordinary shares.

An acquisition of its own shares by a Guernsey company is considered to be a “distribution” for the purposes of the Guernsey Companies Law. Under the Guernsey Companies Law, New Obtala may pay the distribution if the New Obtala Board is satisfied on reasonable grounds that New Obtala will, immediately after payment, satisfy the solvency test (as defined in the Guernsey Companies Law) and New Obtala satisfies any other requirement in its memorandum and articles of incorporation. The New Obtala Articles provide in relation to the acquisition of its own shares, that the New Obtala Shareholders must pass a special resolution at a general meeting approving the off-market acquisition of New Obtala Shares and must pass an ordinary resolution in general meeting approving the on-market acquisition of New Obtala Shares. If, after the distribution is authorised and before it is made, the New Obtala Board ceases to be satisfied on reasonable grounds that New Obtala will, immediately after payment, satisfy the solvency test, any distribution made by New Obtala is deemed not to have been authorised and accordingly, the acquisition of New Obtala Shares will not be effected.

Save for the New Obtala Acquisition of Own Shares, the New Obtala Directors do not have any current intention of paying dividends or buying back shares in New Obtala. Furthermore, the New Obtala Articles contain provisions which mirror the requirement under the Old Obtala Articles that shareholder approval is required for the payment of dividends and the requirement under English law that shareholder approval is required for the purchase by New Obtala of New Obtala Shares.

The necessary shareholder resolution for New Obtala to implement the New Obtala Acquisition of Own Shares has already been passed (conditional upon the Scheme becoming effective) by the holders of the New Obtala Initial Ordinary Shares.

4. Conditions to and implementation of the Proposals

4.1 *The Scheme*

The Scheme will not become effective and binding unless:

- (i) the Scheme is approved at the Court Meeting;
- (ii) all of the special resolutions set out in the notice of the General Meeting to approve the Scheme, the creation of the Deferred Share, the cancellation of the Scheme Shares, the creation of New Ordinary Shares, the allotment of New Ordinary Shares by the Directors (pursuant to the Scheme), the re-registration of Old Obtala as a private company and certain amendments to the Old Obtala Articles are passed;
- (iii) the Scheme is sanctioned by the High Court and the High Court confirms the reduction of Old Obtala’s ordinary share capital which occurs as a result of the cancellation of Old Obtala Shares as part of the Scheme; and
- (iv) a copy of the order of the High Court sanctioning the Scheme and confirming the reduction of Old Obtala’s ordinary share capital under the Scheme has been delivered to the Registrar of Companies in England and Wales by Old Obtala or if so ordered by the Court, registered by the Registrar of Companies.

The Court Hearing (at which it is proposed that the High Court sanctions the Scheme) is expected to be held on 16 September 2010. Shareholders or creditors who wish to oppose the Scheme will be informed by advertisement in a newspaper with national distribution in the United Kingdom of their right to appear in person, or be represented by counsel, at the Court Hearing.

In addition, the Directors will not take the necessary steps to enable the Scheme to become effective unless, at the relevant time, the following condition has been satisfied:

London Stock Exchange has agreed to admit (subject to the satisfaction of conditions (i)–(iv) above, save to the extent already satisfied) the New Obtala Shares to trading on AIM and its agreement has not been withdrawn prior to the Scheme Effective Date.

If the Scheme is sanctioned by the High Court and the above condition is satisfied, the Scheme is expected to become effective and dealings in the New Obtala Shares are expected to commence on 17 September 2010.

If the Scheme has not become effective by 31 October 2010 (or such later date as the High Court may allow), it will lapse, in which event the Scheme will not proceed, Old Obtala Shareholders will remain holders of Old Obtala Shares and the Old Obtala Shares will continue to be traded on AIM.

The Scheme contains a provision for Old Obtala and New Obtala jointly to consent on behalf of all persons concerned to any modification of or addition to the Scheme, or to any condition which the High Court may think fit to approve or impose. Old Obtala has been advised by its legal advisers that the High Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interest of Old Obtala Shareholders unless Old Obtala Shareholders were informed of any such modification, addition or condition. If the High Court does approve or impose a modification of, or addition or condition to, the Scheme which in the opinion of the Directors, is such as to require consent of the Old Obtala Shareholders, the Directors will not take the necessary steps to enable the Scheme to become effective unless and until such consent is obtained.

The full text of the Scheme and of the resolutions to be proposed at the Court Meeting and the General Meeting are set out in Parts 4 and 5 of this document respectively.

5. Effect of the Proposals

The effect of full implementation of the Proposals will be as follows:

- (A) instead of having its ordinary share capital owned by the Old Obtala Shareholders, Old Obtala will become a wholly-owned subsidiary of New Obtala;
- (B) instead of owning (immediately upon the Scheme becoming effective) Old Obtala Shares, each Scheme Ordinary Shareholder will come to own the same number of New Obtala Shares as the number of Old Obtala Shares held by him immediately prior to the date on which the Scheme becomes effective; and
- (C) through its holding of Old Obtala, New Obtala will come to own all of the business of Old Obtala.

6. Taxation

Your attention is drawn to the general guidance on the tax position of Old Obtala Shareholders set out in paragraph 6 of Part 3 of this document.

Paragraph 6 of Part 3 of this document is intended as a guide only and any Old Obtala Shareholders who are in any doubt as to their tax position, or who are resident for tax purposes outside of the United Kingdom are strongly advised to consult an appropriate independent professional adviser.

7. Memorandum and articles of incorporation of New Obtala

There are a number of differences between the Old Obtala Articles and the New Obtala Articles. These arise by reason of New Obtala being a company incorporated in Guernsey and not in England.

Where appropriate and subject to the Guernsey Companies Law, provisions have been incorporated into the New Obtala Articles to enshrine certain rights that are not conferred by the Guernsey Companies Law but which shareholders in a company quoted in London would normally expect. Certain amendments have also been made to reflect the fact that New Obtala will have its registered office in Guernsey.

A summary of the principal differences between the New Obtala Articles and the Old Obtala Articles is set out in paragraph 1 of Part 3 of this document. A further description of certain provisions of the New Obtala Articles and the differences between English and Guernsey law and the implications of New Obtala being a company incorporated in Guernsey are set out in paragraphs 2 and 3 respectively of Part 3 of this document.

8. Directors and other interests

All directors of Old Obtala (i.e. Francesco Scolaro, Simon Rollason, Michael Bretherton, and Nicholas Clarke) have been appointed directors of New Obtala and, in addition, James Ede-Golightly has been appointed a non-executive director of New Obtala.

The effect of the Scheme on the interests of the Old Obtala Directors (details of which are set out in paragraph 15 below) does not differ from its effect on the like interests of other persons. Shareholders are, however, referred to the matters described in paragraphs 2 and 3 of Part 3 of this document in relation to the effect on Old Obtala Directors arising from the differences between the Old Obtala Articles and the New Obtala Articles and the fact that New Obtala is incorporated in Guernsey.

After the Scheme Effective Date the New Obtala Directors will receive their remuneration from New Obtala and the total emoluments receivable by each of the existing directors of Old Obtala will not be varied as a result of the Scheme. The New Obtala Directors will have signed new service agreements or, as the case may be, non-executive appointment letters with New Obtala which are conditional upon the Scheme becoming effective and Admission occurring before 31 October 2010 and which for the existing directors of Old Obtala will replace the contracts that the relevant director currently has entered into with Old Obtala. These new agreements have the same commercial terms as the corresponding existing agreements with Old Obtala. For the additional non-executive director, James Ede-Golightly, the key terms of his non-executive appointment letter provide for a three month notice period and an annual fee of £10,000.

9. CREST

It is proposed that the New Obtala Shares be made eligible for settlement in CREST, the paperless system for settlement of securities which are, *inter alia*, admitted to trading on AIM. Further information on the CREST settlement system is set out in paragraph 11 of Part I of the Appendix to AIM Announcement, a copy of which is available on Old Obtala's website at <http://www.obtalaresources.co.uk/content/investors> and hard copies of which are available free of charge upon request by writing to Old Obtala at its registered address or to the Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. Information on listing, dealings, share certificates and settlement is set out in paragraph 11 of this Part 2.

10. Overseas Shareholders

Overseas Shareholders may be affected by the laws of other jurisdictions in relation to the Scheme. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the allotment and issue of New Obtala Shares following the Scheme becoming effective, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, New Obtala is advised that the allotment and issue of New Obtala Shares would or might infringe the laws of any jurisdiction outside Guernsey or the United Kingdom, or would or might require New Obtala to obtain any governmental or other consent or effect any registration, filing or other formality, New Obtala may determine that no New Obtala Shares shall be allotted and issued to such shareholder but instead those New Obtala Shares shall be allotted and issued to a nominee appointed by New Obtala as trustee for such shareholder, on terms that they shall be sold on behalf of such shareholder as soon as reasonably practicable after the Scheme becomes effective, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such shareholder. Alternatively, New Obtala may determine that the New Obtala Shares shall be allotted and issued to that Overseas Shareholder and sold, with the net proceeds of sale being remitted to the Overseas Shareholder at the Overseas Shareholder's risk.

This document has been prepared for the purpose of complying with English law and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR EXCHANGE OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY OR EXCHANGE ANY SECURITY OR TO BECOME A MEMBER OF NEW OBTALA. NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAWS.

Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.

United States

The New Obtala Shares will not be, and are not required to be, registered under the US Securities Act and will be issued pursuant to the Scheme in reliance on the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) of that Act. For the purpose of qualifying for the Section 3(a)(10) exemption with respect to the New Obtala Shares issued pursuant to the Scheme, Old Obtala will advise the High Court that it will rely on the Section 3(a)(10) exemption based on the High Court's sanctioning of the Scheme, which will be relied upon by Old Obtala as an approval of the Scheme following a hearing on its fairness to Old Obtala Shareholders at which hearing all such Old Obtala Shareholders will be entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been or will be given to all such shareholders.

The New Obtala Shares will not be registered under the securities laws of any state of the United States, and will be issued pursuant to the Scheme in reliance on available exemptions from such state law registration requirements or the pre-emption of such requirements by the US Securities Act.

Neither the SEC nor any securities commission or regulatory authority of any state or other jurisdiction of the United States has approved or disapproved the New Goliath Shares or passed an opinion on the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The solicitation of proxies is not subject to the requirements of Section 14(a) of the US Exchange Act. Accordingly, this document has been prepared in accordance with the applicable disclosure requirements of England and Wales. Old Goliath Shareholders should be aware that such requirements are different from those of the United States.

US Shareholders should note that no appraisal or similar rights of dissenting shareholders are to apply in connection with the Scheme as none are required as a matter of English law.

Old Obtala Shareholders who are citizens or residents of the United States should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme and in their particular circumstances.

11. Listing, dealings, share certificates and settlement

Application will be made to London Stock Exchange for the New Obtala Shares to be admitted trading on AIM. The ISIN of the New Obtala Shares will be GG00B4WJSD17.

If all the conditions to the Scheme are satisfied, Old Obtala intends to seek the delisting of the Old Obtala Shares from AIM with effect from the Scheme Effective Date.

The last day of dealings in Old Obtala Shares is expected to be 16 September 2010. The last time for registration of transfers of Old Obtala Shares is expected to be 5.00 p.m. on 16 September 2010, the Scheme Record Date. It is expected that the New Obtala Shares will be issued, their admission will become effective and that dealings will commence on 17 September 2010.

ON THE SCHEME EFFECTIVE DATE, ALL CERTIFICATES REPRESENTING OLD OBTALA SHARES WILL CEASE TO BE VALID AND BINDING IN RESPECT OF SUCH HOLDINGS AND SHOULD BE DESTROYED. DEFINITIVE SHARE CERTIFICATES FOR THE NEW OBTALA SHARES OF OLD OBTALA SHAREHOLDERS WHO HELD THEIR OLD OBTALA SHARES IN CERTIFICATED FORM ARE EXPECTED TO BE DESPATCHED WITHIN 14 DAYS AFTER THE SCHEME EFFECTIVE DATE. IN THE CASE OF JOINT HOLDERS, CERTIFICATES WILL BE DESPATCHED TO THE JOINT HOLDER WHOSE NAME APPEARS FIRST IN THE REGISTER. ALL CERTIFICATES WILL BE SENT BY PRE-PAID FIRST CLASS POST AT THE RISK OF THE PERSON ENTITLED THERETO.

Old Obtala Shares held in uncertificated form will be disabled in CREST on the Scheme Effective Date.

For Old Obtala Shareholders who hold their Old Obtala Shares in a CREST account, New Obtala Shares are expected to be credited to the relevant CREST accounts on 17 September 2010. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The New Obtala Articles permit the holding of New Obtala Shares under the CREST system. The Directors will apply for the New Obtala Shares to be admitted to CREST with effect from admission of the New Obtala Shares. Accordingly, settlement of transactions in New Obtala Shares following admission may take place within the CREST system. CREST is a voluntary system and holders of New Obtala Shares who wish to receive and retain share certificates will be able to do so.

New Obtala reserves the right to issue New Obtala Shares to all shareholders in certificated form if, for any reason, it wishes to do so.

All mandates in force at the Scheme Record Time relating to payment of dividends on Old Obtala Shares and all instructions then in force relating to notices and other communications will, unless and until varied or revoked, be deemed from the Scheme Effective Date to be valid and effective mandates or instructions to New Obtala in relation to the corresponding holding of New Obtala Shares.

12. Meetings and consents for implementation of the Proposals

The Scheme will require the approval of the Old Obtala Shareholders at the Court Meeting, convened pursuant to an order of the Court and the passing by Old Obtala Shareholders of the special resolutions set out in the notice of the General Meeting. Both of the meetings have been convened for 31 August 2010.

All Old Obtala Shareholders whose names appear on the register of members of Old Obtala at the Voting Record Time shall be entitled to attend and vote at the relevant meeting in respect of the number of Old Obtala Shares registered in their name at the relevant time.

New Obtala has agreed to appear by Counsel on the hearing of the claim form to sanction the Scheme and to undertake to be bound by the Scheme.

The Scheme also requires the sanction of the Court. Notices of the Court Meeting and the General Meeting are contained in Part 5 of this document.

(A) ***Court Meeting***

The Court Meeting has been convened for 10.00 a.m. on 31 August 2010 pursuant to an order of the Court. At the Court Meeting, or at any adjournment thereof, the Old Obtala Shareholders will consider and, if thought fit, approve the Scheme.

Voting will be by poll at the Court Meeting and each Old Obtala Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Old Obtala Ordinary Share held. The statutory majority required to approve the Scheme at the Court Meeting is a simple majority by number of the Old Obtala Shareholders present and voting (either in person or by proxy) at the Court Meeting representing not less than 75 per cent. of the nominal value of the Old Obtala Shares voted by such Old Obtala Shareholders.

In order that the Court can be satisfied that the votes cast constitute a fair representation of the views of the Old Obtala Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old Obtala Shareholders are therefore urged to take the action referred to in paragraph 17 below.

It is also particularly important for you to be aware that if the Scheme becomes effective, it will be binding on all Scheme Shareholders irrespective of whether they attended the Court Meeting and irrespective of the manner in which they voted.

(B) ***The General Meeting***

The General Meeting has been convened for 10.10 a.m. on 31 August 2010 (or as soon thereafter as the Court Meeting has finished or is adjourned). At the General Meeting, or at any adjournment thereof, Old Obtala Shareholders will consider and, if thought fit, pass the resolutions set out in the notice of the General Meeting contained in Part 5. Voting will be at the General Meeting will be on a show of hands (unless a poll is called for) and each Old Obtala Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote.

The resolutions set out in the notice of the General Meeting (all of which are special resolutions) are proposed in order to approve:

- the Scheme;
- the creation of one Deferred Share in the capital of Old Obtala;
- the cancellation of the Scheme Shares;
- the increase in the share capital of Old Obtala to its former amount by the creation of New Ordinary Shares to be issued to New Obtala;
- the allotment of such New Ordinary Shares by the Directors (pursuant to the Scheme);
- the alteration to the Old Obtala's articles of association to provide, *inter alia*, that: (i) any Old Obtala Shares issued on or after the Voting Record Time and on or prior to the Scheme Record Time will be subject to the Scheme; and (ii) any Old Obtala Shares issued to any person (other than New Obtala) after the Scheme Record Time will be immediately transferred to New Obtala conditional on and in exchange for the same consideration for each Old Obtala Share as was due to a holder of Scheme Shares under the Scheme – this will avoid any person (other than New Obtala) being left with Old Obtala Shares after dealings in such shares have ceased to be traded on AIM;
- the re-registration of Old Obtala as a private company and the change of Old Obtala's name to Obtala Services Limited;
- the alteration to the Old Obtala's articles of association to reflect the fact that it will be a private company; and
- the cancellation of the trading in Old Obtala Shares on AIM.

The majority required for the passing of the special resolutions is not less than 75 per cent. of the votes cast.

13. Authorities relating to New Obtala

The holders of the New Obtala Initial Ordinary Shares have already approved, among other matters:

- (A) the authority of the Directors to issue and allot New Obtala Shares in connection with the implementation of the Scheme;
- (B) the authority of the Directors to allot New Obtala Shares;
- (C) the authority of the Directors to allot New Obtala Shares otherwise than in accordance with preemption rights;
- (D) the authority of the Directors to make on-market acquisition of New Obtala Shares;
- (E) the adoption of the New Obtala Articles; and
- (F) the New Obtala Acquisition of Own Shares.

The authority granted to the New Obtala Directors as referred to in paragraphs (B), (C) and (D) above will lapse on the conclusion of the annual general meeting of New Obtala to be held in 2011.

For additional information on the authorities relating to New Obtala's share capital which have been granted, see paragraph 3 of Part 3 of the Appendix to AIM Announcement which is available in electronic form on Old Obtala's website at <http://www.obtalaresources.co.uk/content/investors>. Hard copies are also available upon request by writing to Old Obtala at its registered office or to the Registrars at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

14. Appendix to AIM Announcement

The Appendix to AIM Announcement relating to New Obtala which is required to be published to effect the introduction of the New Obtala Shares to the AIM, is available in electronic form on Old Obtala's website at <http://www.obtalaresources.co.uk/content/investors> and in hard copy at Old Obtala's registered office at Fifth Floor, 17 Hanover Square, London W1S 1HU and at the offices of ZAI at 12 Camomile Street, London, EC3A 7PT during normal business hours on any weekday (weekends and public holidays excepted) and shall remain available for at least one month after Admission.

London Stock Exchange has agreed that, because the Old Obtala Shares are already admitted to trading on AIM and because, following the Scheme becoming effective and the completion of the New Obtala Acquisition of Own Shares, the Old Obtala Shareholders will each hold exactly the same percentage interest in New Obtala Ordinary Shares as they previously held in New Obtala Ordinary Shares, the Appendix to AIM Announcement need not contain all the information that an admission document would normally be required to contain pursuant to the AIM Rules. Instead, London Stock Exchange has agreed that New Obtala may be treated as a quoted applicant and may use the "fast track" procedure. The Appendix to AIM Announcement therefore contains information including a description of the significant changes in the financial and trading position of Old Obtala since 30 June 2010 (being the date to which the Interim Report has been published) but no other financial information, and a section of additional information, including details of the remuneration and interests of the Directors, material contracts and capital resources of the Obtala Group and details of litigation concerning the Obtala Group, all of which will be relevant to New Obtala as the new holding company of the Obtala Group.

The Appendix to AIM Announcement contains forward-looking statements which involve known and unknown risks and uncertainties and speak only as of the date they are made. You are hereby cautioned that certain important factors could cause actual results, outcomes, performance or achievements of Old Obtala or New Obtala or industry results to differ materially from those expressed or implied in forward-looking statements. These factors include, but are not limited to, those described in the "Risk Factors" section of the Appendix to AIM Announcement and which can be accessed at <http://www.obtalaresources.co.uk/content/investors>.

15. Directors' interests

On the Scheme becoming effective, assuming that no further Old Obtala Shares have been purchased or issued after 5 August 2010 (the latest practicable date prior to the publication of this document) the Old Obtala Directors (together with James Ede-Golightly, who is a member of the New Obtala Board) will have the following beneficial interests in New Obtala Shares by virtue of the effect of the Scheme on their Old Obtala Shares.

<i>Director</i>	<i>Number of Old Obtala Shares</i>	<i>Number of New Obtala Ordinary Shares</i>	<i>Percentage of issued share capital of New Obtala Shares</i>
Francesco Scolaro ⁽¹⁾	71,850,000	71,850,000	32.34%
Simon Rollason	160,000	160,000	0.07%
Michael Bretherton	300,000	300,000	0.14%
Nicholas Clarke	Nil	Nil	Nil
Lord St. John of Bletso	Nil	Nil	Nil
James Ede-Golightly ⁽²⁾	Nil	Nil	Nil

Notes:

- (1) The holding of Francesco Scolaro includes the 71,850,000 Old Obtala Shares held by Grandinex International Corp, a company in which Francesco Scolaro holds a controlling interest.
- (2) Annabel Ede-Golightly (the mother of James Ede-Golightly) holds 185,000 Old Obtala Shares.

The interests of the Directors together represent approximately 32.55 per cent. of the issued share capital of Old Obtala in existence as at 5 August 2010, the latest practicable date prior to publication of this document.

In addition, the Old Obtala Directors have been granted options over Old Obtala Shares as set out below.

<i>Director</i>	<i>Number of Old Obtala Shares over which option has been granted</i>	<i>Exercise price</i>	<i>Exercise period</i>
Francesco Scolaro	Nil	Nil	Nil
Simon Rollason	500,000	£0.376	Any time up to 24 October 2018
Michael Bretherton	Nil	Nil	Nil
Nicholas Clarke	150,000	£0.376	Any time up to 24 October 2018
Lord St. John of Bletso	Nil	Nil	Nil

Furthermore, each of Simon Rollason, Michael Bretherton and Nicholas Clarke hold under the Jointly Owned Share Scheme 500,000 Old Obtala Shares, respectively, subscribed for jointly with the Obtala Resources Employee Share Trust at a market value of £0.33 per share. In each case the right to benefit from any increase in value above the £0.33 market value per share in 250,000 of the Old Obtala Shares shall vest on 27 May 2011 with the right to benefit from any increase in value above the £0.33 market value per share in the remaining 250,000 Old Obtala Shares vesting on 27 May 2012. Lord St. John of Bletso holds under the Jointly Owned Share Scheme the right to benefit from any increase in value above the £0.33 market value per share in 250,000 Old Obtala Shares held jointly with the Obtala Resources Employee Share Trust which right shall vest on 27 May 2011. By operation of the Scheme any Old Obtala Shares held jointly with the Obtala Resources Employee Share Trust under the Jointly Owned Share Scheme will, once the Scheme becomes effective, become a holding of New Obtala Shares held jointly with the Obtala Resources Employee Share Trust under the Jointly Owned Share Scheme.

The above interests are based upon the interests of the Directors in Old Obtala Shares which (a) have been notified by each Director to Old Obtala pursuant to Rule 17 of the AIM Rules before 5 August 2010 (the latest practicable date prior to publication of this document), or (b) are interests of a connected person (within the meaning of the Act), of a Director which have been notified to Old Obtala by each connected person (within the meaning of the Act) pursuant to Rule 17 of the AIM Rules.

16. Further information

Your attention is drawn to the letter from your Chairman in Part 1 and to the Scheme set out in Part 4. Copies of:

- (A) the New Obtala Articles;
- (B) the proposed amended articles of association for Old Obtala;
- (C) this document; and
- (D) the Appendix to AIM Announcement,

can be inspected at the offices of Old Obtala's solicitors, Fasken Martineau LLP, at 17 Hanover Square, London W1S 1HU (which address is also the registered office of Old Obtala) and the business address of Old Obtala at Martin House, 26-30 Old Church Street, London SW3 5BY during the usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this document to the close of business on the date of the Court Meeting and the General Meeting. Copies of these documents will also be available for inspection for at least 15 minutes prior to and during the Court Meeting and the General Meeting. This document and the Appendix to AIM Announcement are also available in electronic form on Old Obtala's website at <http://www.obtalaresources.co.uk/content/investors>.

In the case of joint holders of Old Obtala Shares, one copy of this document is being delivered to the first registered joint holder. Further copies of this document and the Appendix to AIM Announcement may be requested by joint holders other than the first registered joint holder by application in writing to the Company Secretary of Obtala Resources plc, 17 Hanover Square, London W1S 1HU.

17. Action to be taken

Forms of proxy are enclosed as follows:

- (A) for the Court Meeting, a blue form of proxy; and
- (B) for the General Meeting, a white form of proxy

Whether or not you propose to attend the meetings in person you are requested, if you hold Old Obtala Shares, to complete and return the blue and white forms of proxy.

Completed forms of proxy should be returned to the Registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible and in any event so as to be received by the Registrars not later than 48 hours before the time appointed for the relevant meeting. The return of the forms of proxy will not prevent you from attending either of the meetings and voting in person if you so wish and are so entitled. In each case, the forms and cards should be completed in accordance with the instructions printed on them.

The blue form of proxy in respect of the Court Meeting may also be handed to the Registrars or the Chairman at the Court Meeting before the start of the meeting. However, in the case of the General Meeting, the white form of proxy will be invalid unless it is lodged so as to be received at least 48 hours before the time appointed for the General Meeting.

If you hold your Old Obtala Shares in CREST, you can appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual. Your CREST Proxy Instruction must be received by the Registrars by 10.00 a.m. on 29 August 2010 for the Court Meeting and 10.10 a.m. on 29 August 2010 for the General Meeting or if either of the meetings is adjourned, 48 hours before the time appointed for the adjourned meetings.

Yours faithfully,

Ray Zimmerman

Director

for and on behalf of

ZAI Corporate Finance Limited

PART 3

ADDITIONAL INFORMATION

1. Summary of the principal differences between the Old Obtala Articles and New Obtala Articles

As a company incorporated, existing and registered in Guernsey with its registered office in Guernsey, New Obtala will be required to comply with Guernsey law.

Under the Guernsey Companies Law, the corporate objects of a Guernsey company are deemed to be unlimited unless they are restricted.

The principal differences between the Old Obtala Articles and the New Obtala Articles are explained below. These differences arise by reason of New Obtala being a company incorporated, existing and registered in Guernsey instead of in England. As further described in paragraph 3 of this Part, there are a number of differences between the Guernsey Companies Law and the Act which may impact on the rights of holders of Old Obtala Shares when they become holders of New Obtala Shares. As such, where appropriate and subject to the Guernsey Companies Law provisions have been incorporated into the New Obtala Articles to enshrine certain rights which shareholders in a company whose shares are admitted to trading on AIM would normally expect to have.

The principal differences are:

- 1.1 As the Guernsey Companies Law does not contain an equivalent to section 551 of the Act where a company has only one class of share (as New Obtala will have) and the Guernsey Companies Law contains different provisions on authority to allot shares, provision is made in the New Obtala Articles to replicate the position under the Act whereby directors must not exercise any power to allot shares unless they are authorised to do so by ordinary resolution in a general meeting. In addition, as permitted by Guernsey law, the New Obtala Articles set a requirement that maximum number of shares which can be allotted by the Board is to be approved by the New Obtala Shareholders passing an ordinary resolution in general meeting with a requirement for that the authority so granted may not be for a period exceeding five years.
- 1.2 The principal conditions to be fulfilled in relation to any on-market acquisition of own shares have been set out in the New Obtala Articles. The Guernsey Companies Law requires that the acquisition must first be authorised by ordinary resolution and, for the purposes of the Guernsey Companies Law, the directors must resolve that the Company can pass the solvency test (as defined in the Guernsey Companies Law) after the acquisition has been effected and the directors must sign a certificate to this effect.
- 1.3 As the Guernsey Companies Law does not confer any statutory pre-emption rights on the allotment of shares for cash, the New Obtala Articles include pre-emption provisions that are broadly similar to the pre-emption rights contained in section 561 of the Act.
- 1.4 As the Guernsey Companies Law does not have an equivalent to section 793 of the Act, there have been incorporated into the New Obtala Articles provisions that are based on section 793 of the Act which entitle New Obtala to serve notices on persons in order to establish details of ownership of its shares.
- 1.5 As the Guernsey Companies Law does not provide for a nominee holder of shares to require that information rights' (the right to receive a copy of all communications sent by a company to its shareholders) be granted to the underlying beneficial owner, as permitted by section 146 of the Act, the New Obtala Articles include information rights provisions similar to those contained in the Act.

- 1.6 As the Guernsey Companies Law do not expressly provide for the independent scrutiny of any poll taken, the New Obtala Articles include provisions entitling an independent scrutiny of any poll taken, or to be taken, at a general meeting, so as to replicate the position under the Act.
- 1.7 The New Obtala Articles provide that Board meetings be held only outside the United Kingdom and that all board resolutions in writing must be signed outside the United Kingdom and must be signed personally by every director in office. Further, the New Obtala Articles will not permit the authorisation of Directors' conflicts of interest by board resolution.
- 1.8 The New Obtala Articles provide that after Admission at least 50 per cent. of the directors of New Obtala be persons resident outside of the United Kingdom for tax purposes and that after Admission a meeting of the Board is only quorate where a majority of directors present are not resident in the United Kingdom for tax purposes.
- 1.9 The New Obtala Articles clarify that the Directors are not accountable for any benefit by virtue of insurance taken out in favour of the Directors against any liability and otherwise to provide for New Obtala to indemnify its Directors in the circumstances permitted by the Guernsey Companies Law.
- 1.10 The New Obtala Articles provide for uncertificated shares in New Obtala to be held in dematerialised form in CREST pursuant and subject to the Guernsey CREST Requirements.
- 1.11 As under the Guernsey Companies Law members holding more than 10 per cent. of the issued share capital by voting rights may require the directors to convene a general meeting, a provision to this effect is included in the New Obtala Articles setting a limit of 21 days in which the meeting must be called and that the requisitioned meeting must be held within 28 days after the date of the notice convening the meeting.
- 1.12 As the Guernsey Companies Law does not expressly provide for the appointment of corporate representatives, the New Obtala Articles permit corporate shareholders of New Obtala to elect a representative to attend general meetings on their behalf.
- 1.13 The New Obtala Articles provide that the register of members be kept and maintained in Guernsey and that an electronic copy of the register of members be made available in Guernsey to any member who requests access to it.
- 1.14 The power of the Board to declare dividends is subject to certain conditions under the Guernsey Companies Law which does not include shareholders' consent nor a requirement that dividends be payable only out of profits, the principal conditions for the payment of dividends have been set out in the New Obtala Articles.

Notwithstanding the differences between the New Obtala Articles and the Old Obtala Articles outlined above, with effect from the Scheme Effective Date, the voting rights relating to New Obtala Shares will be substantially the same as the Old Obtala Shares and each New Obtala Share will rank *pari passu* for dividends and in all respects with other fully paid New Obtala Shares in issue on the Scheme Effective Date.

The provisions of the New Obtala Articles are further described in paragraph 2 of this Part. Copies of the Old Obtala Articles and the New Obtala Articles are also available for inspection as described in paragraph 16 of Part 2.

2. Summary of the New Obtala Articles

The New Obtala Articles include, amongst other things, provisions to the following effect:

2.1 *Alteration of share capital*

New Obtala may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, subdivide all or any of its shares into shares of smaller amount than is fixed by the memorandum, cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, convert all or any of its shares the nominal

amount of which is expressed in a particular currency into shares of a nominal amount of a different currency and where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or sub-divisions of that currency or former currency, or otherwise.

2.2 *Acquisition of own shares*

Subject to the Guernsey Companies Law and to any rights attached to existing shares, New Obtala may acquire all or any of its own shares of any class. Any on-market acquisition needs to be authorised by an ordinary resolution of New Obtala. An off-market acquisition can only be made in pursuance of a contract authorised in advance by a special resolution of New Obtala. In accordance with the Guernsey Companies Law, New Obtala must be able to pass the solvency test after the acquisition is made before effecting any such acquisition.

2.3 *Share rights*

Subject to the Guernsey Companies Law, and subject to and without prejudice to any rights attached to any existing shares, any share in New Obtala may be issued with or have attached to it such rights and restrictions as New Obtala may by ordinary resolution decide, or if no such resolution has been passed or so far as the resolution does not make any specific provision, as the New Obtala Board may decide.

Subject to the Guernsey Companies Law and to any rights attached to any existing shares, New Obtala may issue redeemable shares or convert existing shares into redeemable shares which are, or at the option of New Obtala or the holder are liable to be, redeemed. The terms and conditions of redemption of any shares so issued or converted must be set out in the New Obtala Articles.

2.4 *Allotment of securities and pre-emption rights*

Subject to the provisions of the Guernsey Companies Law, the New Obtala Articles and any resolution passed by New Obtala conferring authority on the New Obtala Directors to allot shares, and without prejudice to any rights attached to existing shares, all unissued shares are at the disposal of the New Obtala Board which may offer, allot, grant options over or otherwise deal with or dispose of them to persons at such time and for such consideration and on such terms as the New Obtala Board may decide. The authority of the New Obtala Board to allot unissued shares is subject to the passing of an ordinary resolution which will determine the maximum number of shares that the New Obtala Board is authorised to allot during the allotment period specified in that ordinary resolution (which, in practice, will be the period between the passing of such an ordinary resolution and the following annual general meeting of New Obtala).

The Guernsey Companies Law does not provide any statutory pre-emption rights. The New Obtala Articles therefore provide that shares issued wholly for cash by New Obtala must first be offered to existing shareholders, unless a special resolution permits otherwise, in proportion to their respective holdings of New Obtala Shares (i.e. the provisions relating to statutory pre-emption rights under the Act have been broadly replicated in the New Obtala Articles).

2.5 *Disclosure of interests in shares and shareholder notification*

New Obtala may by notice in writing require any person whom New Obtala knows or has reasonable cause to believe to be interested in any class of shares of New Obtala to confirm that fact or indicate whether or not it is the case and to give such further information as may be required. Pursuant to the New Obtala Articles, New Obtala Shareholders are obliged to comply with the notification and disclosure requirements in Chapter 3 of the Disclosure and Transparency Rules as if New Obtala were a UK domestic company. The Disclosure and Transparency Rules can be accessed and downloaded from the FSA website at <http://fsahandbook.info/FSA/html/handbook/DTR/5>.

2.6 *Share certificates*

Every person (except a person to whom New Obtala is not by law required to issue a certificate) whose name is entered on the New Obtala register of members as the holder of shares in certificated form is entitled, without payment, to one certificate in respect of all shares of any class held by him. In the case of joint holders, delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

2.7 *Forfeiture and lien*

Subject to the Guernsey Companies Law, the New Obtala Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares, subject to the terms of issue of such shares. Each member shall (subject to being given at least 14 days' notice in writing specifying where and when payment is to be made) pay to New Obtala the specified amount called on his shares. If any call or instalment of a call remains unpaid on or after the due date for payment, the New Obtala Board may at any time thereafter serve a notice in writing on the holder requiring payment of such unpaid amount together with any interest accrued thereon and any expense incurred by New Obtala by reason of such non-payment. Interest shall accrue on any sums which are unpaid from the day appointed for payment thereof to the time of actual payment at such rate as the New Obtala Board may decide (although this shall not exceed 15 per cent.). The notice shall state that in the event of nonpayment in accordance with the notice, the shares on which the call has been made will be liable to be forfeited.

New Obtala shall have a first and paramount lien on every share (not being a fully-paid share) for all amounts payable to New Obtala (whether presently payable or not) in respect of such share. The New Obtala Board may waive any lien which has arisen. New Obtala may sell, in such manner as the New Obtala Board may decide, any share on which New Obtala has a lien if any sum in respect of which the lien exists is presently payable and is not paid within 14 days after a notice demanding payment and stating that the share may be sold for non-compliance with such notice shall have been given to the holder of the share.

2.8 *Variation of rights*

Subject to the provisions of the Guernsey Companies Law, and to any rights attached to existing shares, all or any of the rights attached to any class of shares may be varied with the consent in writing of the holders of at least 75 per cent. in value of the issued shares of the class or group or the sanction of a special resolution passed at a separate general meeting of the class or group at which the provisions of the New Obtala Articles in relation to the majority required for a special resolution are fulfilled in respect of the relevant class(es) of shareholders (excluding holders of treasury shares). A quorum for the separate class meeting is two persons (in person or by proxy) holding one-third of the voting rights of the shares of that class or group.

2.9 *Transfer of shares*

- (A) Any member may transfer all or any of his certificated shares by an instrument of transfer in writing in any usual or in any other form which the New Obtala Board may approve. An instrument of transfer shall be signed by or on behalf of the transferor and by or on behalf of the transferee.
- (B) Any member may transfer all or any of his shares which are in uncertificated form, subject to the Guernsey CREST Requirements, by means of a relevant system.
- (C) The New Obtala Board may, subject to applicable law, refuse to register any transfer of shares in certificated form, which are not fully-paid shares.

- (D) The New Obtala Board may also refuse to register the transfer of a share in certificated form unless the instrument of transfer:
 - (i) is left at the registered office of New Obtala (or at another place as the New Obtala Board may determine from time to time which includes New Obtala's registrars) accompanied by the certificate for the share to which it relates and such other evidence as the New Obtala Board may reasonably require to show the right of the transferor to make the transfer;
 - (ii) is in respect of one class of share only; and
 - (iii) in the case of a transfer to joint holders, is in favour of not more than four persons.
- (E) No fee shall be payable to New Obtala in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, instruction or other document relating to or affecting the title to any New Obtala Shares.

2.10 **General meetings**

- (A) The New Obtala Board shall convene and New Obtala shall hold general meetings and annual general meetings in accordance with the Guernsey Companies Law. General meetings (other than the annual general meeting) are called general meetings.
- (B) The New Obtala Board may convene general meetings whenever it thinks fit. The annual general meeting will be held once every year in Guernsey (or in such other place as the New Obtala Directors may decide).
- (C) All annual general meetings of New Obtala shall be called on not less than 21 clear days' written notice and in the case of all other general meetings at least 14 clear days' notice convening the meeting must be given. In the case of a meeting which is adjourned for 30 days or more notice of the meeting will be given as in the case of the original meeting. Subject to the provisions of the Guernsey Companies Law, the provisions of the New Obtala Articles and to any restrictions imposed on any shares, the notice shall be sent to all the members, to each of the directors and to the auditors.
- (D) The notice shall specify the place, day and time of the meeting, the agenda and the general nature of the business to be transacted at the meeting.
- (E) In the case of an annual general meeting, the notice shall specify the meeting as such.
- (F) In the case of a general meeting, the notice shall specify the agenda for the meeting and indicate any proposed business of the meeting.
- (G) A member may nominate a person on whose behalf he holds shares to enjoy rights to receive a copy of all communications that New Obtala sends to its members (that is, the provisions of sections 146 to 149 of the Act have been broadly replicated in the New Obtala Articles).
- (H) All meetings of New Obtala Shareholders shall be quorate where two members are present in person or by proxy and entitled to vote at the meeting. If the meeting is not quorate, the meeting may be adjourned. At any adjourned meeting the quorum shall be those members present in person or by proxy.
- (I) Resolutions shall be decided on a show of hands unless a poll is demanded by:
 - (i) the chairman of the meeting;
 - (ii) at least five members present in person or by proxy and entitled to vote on the resolution;
or

- (iii) a member or members present in person or by proxy and representing not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution.
- (J) A poll shall be taken in such manner as the chairman of the meeting shall direct.
- (K) A New Obtala Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of New Obtala.

2.11 *Voting rights and restrictions*

Subject to any special terms as to voting attached to any shares and to the New Obtala Articles, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. On a poll, a member who is present in person or by proxy and who is entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy.

No member shall be entitled to vote at any general meeting unless all moneys presently payable by him in respect of shares in New Obtala have been paid. A shareholder who has been duly served with a disclosure notice (similar to a notice under section 793 of the Act for UK companies), or who has not provided to New Obtala information required to be notified under the Disclosure and Transparency Rules, and who has not complied with such notice, or who has not supplied New Obtala with the information required, either within a period of 14 days or the relevant period stipulated by the Disclosure and Transparency Rules respectively, shall not be entitled to attend or vote personally or by proxy at shareholders' meetings.

2.12 *Corporate representatives*

Any body corporate which is a member of New Obtala may by board resolution authorise such person as it thinks fit to act as its representative at any general meeting and may exercise the same powers on behalf of such body corporate as the body corporate could exercise if it were an individual member of New Obtala.

2.13 *Directors*

(A) *Appointment and removal of directors*

Unless otherwise determined by ordinary resolution, the number of New Obtala Directors shall be not less than two and no more than eight. At any time before Admission at least fifty per cent. of the New Obtala Directors shall, at all times, not be resident in the United Kingdom for tax purposes. New Obtala Directors may be appointed by ordinary resolution or by the New Obtala Board, provided that there remains at any time before Admission at least fifty per cent. of New Obtala Directors not resident in the United Kingdom for tax purposes. Subject to the provisions on rotation of New Obtala Directors, a New Obtala Director appointed by the New Obtala Board holds office only until the next following annual general meeting and if not reappointed at such annual general meeting, shall vacate office at its conclusion. A New Obtala Director shall leave office if: he resigns; he becomes bankrupt; he becomes insane; he is absent from meetings of the New Obtala Directors for six months without leave; he is removed or becomes prohibited from being a New Obtala Director by law or under the New Obtala Articles; he is requested in writing by all the other New Obtala Directors to resign his office; his behaviour is, in the opinion (acting reasonably) of a majority of the other New Obtala Directors, likely to bring New Obtala or the market into disrepute; or any time after Admission, he becomes resident in the United Kingdom and as a result thereof a majority of the New Obtala Directors are resident in the United Kingdom.

(B) *No share qualification*

A New Obtala Director shall not be required to hold any shares in the capital of New Obtala by way of qualification.

(C) *Retirement of Directors by rotation*

At every annual general meeting any New Obtala Director who was appointed by the board since the last annual general meeting and one-third of the other Directors (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office. Such directors are eligible for re-election at that meeting.

(D) *Remuneration of Directors*

The emoluments of any director for his services in holding executive office shall be determined by the Board.

The ordinary remuneration of the directors who do not hold executive office for their services shall be limited to £200,000 per annum, or such higher amount as may be determined by ordinary resolution (including amounts payable under any other provision of the New Obtala Articles). Any director who performs services, which in the opinion of the Board, goes beyond the ordinary duties of a director, may be paid such extra remuneration as the Board may, in its discretion, determine.

In addition to any remuneration to which the directors are entitled under the New Obtala Articles, they may be paid all reasonable expenses as they may incur in attending and returning from meetings of the directors or of any committee of the directors or shareholders meetings or otherwise in connection with the business of New Obtala.

The New Obtala Board or any other committee may exercise all the powers of New Obtala to provide benefits, whether by payment of gratuities or pensions or by insurance or in any other manner for any director or former directors or relations or dependants of, or persons connected to, any director or former director.

(E) *Permitted interests of Directors*

Subject to the provisions of the Guernsey Companies Law and provided that where a New Obtala Director, to his knowledge, is in any way directly or indirectly interested in a contract, transaction or arrangement, he has immediately disclosed to the Board the nature and extent of his interest, a director notwithstanding his office:

- (i) may be a party to, or otherwise interested in, any transaction or arrangement with New Obtala or in which New Obtala is otherwise (directly or indirectly) interested;(ii) may act by himself or his firm in a professional capacity for New Obtala (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a New Obtala Director; and
- (ii) may be a New Obtala Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which New Obtala is otherwise (directly or indirectly) interested.

A New Obtala Director may hold any other office or place of profit with New Obtala (except that of auditor) in conjunction with his office of director and may be paid such extra remuneration for so doing as the Board may decide, either in addition to or in lieu of any remuneration provided for by other articles.

Any New Obtala Director who has an interest in a transaction submitted for approval to the Board, unless it relates to the current operations entered into under normal conditions, which conflicts with the interests of New Obtala, shall, in accordance with the Guernsey Companies Law and the Articles, be obliged to advise the New Obtala Board of that interest and to cause

a record of his statement to be included in the minutes of the meeting. He may not take part in deliberations in relation to the approval of this transaction. At the next following general meeting, before any other resolution is put to the vote, a special report shall be made on any transactions in which any of the directors have had an interest which conflicts with that of New Obtala.

(F) *Restrictions on voting*

Except as otherwise provided in the New Obtala Articles, a New Obtala Director shall not count in the quorum in relation to or vote or deliberate on any resolution of the Board concerning a contract, transaction or arrangement in which he has an interest which (taken together with any interests of any person connected with him) is to his knowledge a material interest, but these prohibitions shall not apply to:

- (i) a contract or arrangement for giving to the New Obtala Director security or a guarantee or indemnity in respect of money lent by him or obligations undertaken by him or by any other person at the request of or for the benefit of New Obtala or any of its subsidiaries;
- (ii) a contract or arrangement for giving to the New Obtala Director security or a guarantee or indemnity in respect of a debt or obligation of New Obtala or any of its subsidiaries for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;
- (iii) where New Obtala or any of its subsidiary undertakings is offering securities in which offer the New Obtala Director is, or may be, entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
- (iv) relating to another company in which he and any persons connected to him do not to his knowledge hold an interest in shares representing one per cent. or more of any class of the equity share capital or of the voting rights in that company;
- (v) relating to a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which does not award him any privilege or benefit not awarded to the employees to whom the scheme relates;
- (vi) concerning insurance which New Obtala proposes to maintain or purchase for the benefit of New Obtala Directors or the benefit of persons including New Obtala Directors;

(G) *Board meetings*

New Obtala Board meetings shall not take place in the United Kingdom. The directors may participate in a New Obtala Board meeting by conference telephone or other communication equipment provided that such meeting is validly convened only if 50 per cent. or more of the directors participating are located outside the UK. To be valid and effectual, written resolutions of the New Obtala Board must be signed outside the UK and must be signed by all the directors. A director may appoint another director as a proxy to attend and vote at a New Obtala Board meeting on their behalf.

(H) *Borrowing powers*

The New Obtala Board may exercise all the powers of New Obtala to borrow money and to mortgage or charge all or any part of the undertaking, property, assets (present and future) and uncalled capital of New Obtala, and, subject to the Guernsey Companies Law, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of New Obtala or of any third party.

The New Obtala Directors must restrict the borrowings of New Obtala so that the aggregate amount outstanding in respect of borrowings by New Obtala shall not, without an ordinary resolution of New Obtala, exceed an amount equal to six times the adjusted capital and reserves of the company. The adjusted capital and reserves of New Obtala equals the paid up issued share capital (including treasury shares) and the amount standing to the credit of the reserves of the company, less any debit balance on retained earnings and other variations in the amount of the paid up share capital and reserves since the date of the audited balance sheet which is being referred to for the purposes of this calculation.

(I) *Indemnity of officers*

Subject to the provisions of the Guernsey Companies Law any director of New Obtala or any of its subsidiaries may be indemnified out of the assets of New Obtala against any liability incurred by him by reason of having been a director of New Obtala or any of its subsidiaries.

2.14 **Register of members**

The New Obtala Directors shall keep and maintain a register of members in Guernsey and may rely upon the information provided by the CREST operator for the purposes of keeping this register up to date.

A copy of the register shall be made available in electronic form to any member who requests to examine it at the head office of New Obtala in Guernsey. No copy of the register kept or maintained outside Guernsey shall constitute the register of members of New Obtala.

2.15 **Dividends and other distributions**

- (A) New Obtala may by ordinary resolution declare dividends.
- (B) No dividend shall be payable except out of the profits of New Obtala and shall not exceed any amount recommended by the New Obtala Directors. The New Obtala Directors may pay such interim dividends as appear to them to be justified by the profits of New Obtala. No dividend can be paid unless New Obtala is able to satisfy the solvency test (as defined in the Guernsey Companies Law) after the payment of the dividend and the New Obtala Directors must give a certificate to this effect.
- (C) If the New Obtala Board acts in good faith, it shall not incur any liability to the holders of any shares for any loss they may suffer by the payment, on any other class of shares having rights ranking after or *pari passu* with those shares, of any such fixed or interim dividend.
- (D) Except as otherwise provided by the rights attaching to or terms of issue of any shares, or the terms of issue thereof, all dividends shall be apportioned and paid *pro rata* to shareholders according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (E) No dividend or other moneys payable in respect of a share shall bear interest against New Obtala.
- (F) The New Obtala Directors may deduct from any dividend or other moneys payable to a holder of shares on or in respect of such shares all sums of money (if any) presently payable by the holder to New Obtala on account of calls or otherwise in relation to such shares.
- (G) Any dividend unclaimed after a period of twelve years from the date on which such dividend was declared or became due for payment shall be forfeited and revert to New Obtala.
- (H) Subject to the Guernsey Companies Law, the New Obtala Directors may, if authorised by an ordinary resolution of New Obtala, offer any holder of shares (excluding treasury shares) the right to elect to receive shares by way of scrip dividend instead of cash.

- (I) The New Obtala Directors may pay distributions to members in accordance with the Guernsey Companies Law.

2.16 *Winding up*

Except as provided by the rights and restrictions attached to any class of shares, the holders of New Obtala Shares will be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings. Any liquidator appointed may, with the sanction of a special resolution and any other sanction required by the Guernsey Companies Law, divide among its members in kind the whole or any part of the assets of New Obtala, setting such values as it deems fair upon any property to be so divided and determining how the division shall be carried out between different classes of members.

2.17 *Disclosure of beneficial ownership*

If at any time any member, or any other person (as appropriate) has been served with a disclosure notice from New Obtala and has not complied with such notice or supplied the information required to New Obtala within a period of 14 days following service of the disclosure notice, then the New Obtala Board may, in its absolute discretion by notice in writing (a “restriction notice”) to such member direct that:

- (A) in respect of the shares in relation to which the restriction notice relates which shall include any share issued after the date of the notice in respect of such share) the member shall not, with effect from service of the restriction notice be entitled to vote either personally or by proxy at a shareholders’ meeting or to exercise any other right conferred by membership in relation to shareholder meetings; and
- (B) in the case of a restriction notice served on a person who holds shares which represent 0.25 per cent. or more of the issued shares of the class in question, the restriction notice may additionally direct that in respect of those shares:
- (i) no payment shall be made by way of dividend and no share shall be allotted in lieu of payment of a dividend; and
- (ii) the New Obtala Board may decline to register a transfer of any of the shares (which are in Certificated form) unless the transfer is pursuant to a *bona fide* sale of the shares to a party unconnected with the holder or any other person appearing to be interested in such shares.

Any restriction notice shall cease to have effect in relation to any shares transferred by such member in accordance with the provisions described in paragraph 2.17 (B)(ii) above.

2.18 *Schemes of arrangement*

New Obtala may implement a scheme of arrangement in accordance with the relevant provisions of the Guernsey Companies Law provided that it has obtained (i) approval by a majority in number representing 75 per cent. (in value) of the creditors or members (or any class of them) (as appropriate) present and voting either in person or by proxy who are entitled to vote at a meeting convened by the Guernsey court; and (ii) approval of the Guernsey court. In the case of a scheme of arrangement between New Obtala and its members (or any class of them), at the court meeting the members (or any class of them) would be asked to approve the scheme of arrangement.

New Obtala would also convene an extraordinary general meeting at which members would be asked to approve the scheme of arrangement and such other resolutions as may be required to implement it. Once approved by the members in a general meeting, the court meeting and the Guernsey court, the scheme of arrangement would be binding on all members or creditors, whether or not they voted in favour of the scheme of arrangement.

2.19 *Compulsory Acquisition of Own Shares*

Under the Guernsey Companies Law if a takeover offer is made for New Obtala and the offeror obtains acceptances of at least 90 per cent. in value of the shares (or class of shares) it is offering to

buy in New Obtala, subject to the provisions of the Guernsey Companies Law, it can compulsorily acquire the shares (or class of shares) of the non-accepting members on the terms of the offer by notice given to the non-accepting members in accordance with the Guernsey Companies Law. In such circumstances, payment for the shares of the non-accepting members shall be made, and the shares of the non-accepting members shall be transferred to the bidder, in accordance with the provisions of the Guernsey Companies Law. A holder of any New Obtala Shares who receives a notice of compulsory acquisition may (within one month from the date of the notice) apply to the Guernsey court for an order that the notice be cancelled.

3. Differences between English and Guernsey company law and implications of New Obtala being a Guernsey incorporated company

There are a number of differences between the Act and the Guernsey Companies Law which may impact upon the rights of Old Obtala Shareholders when they become New Obtala Shareholders. However, where it was thought appropriate to confer similar rights on and protections to holders of New Obtala Shares, and where permitted under the Guernsey Companies Law, provisions which broadly replicate the position under English law have been incorporated into the New Obtala Articles, as described in the summary setting out the principal differences between Old Obtala Articles and New Obtala Articles at paragraph 1 of this Part. A fuller description of certain provisions of the New Obtala Articles is set out in paragraph 2 of this Part.

The principal differences between the Act and the Guernsey Companies Law include:

- 3.1 The Guernsey Companies Law does not confer statutory pre-emption rights on shareholders relating to new share issues; New Obtala will adopt a set of provisions on pre-emption rights in the New Obtala Articles which are broadly based on the provisions of the Act.
- 3.2 Directors of a company do not need the sanction of the shareholders to issue and allot shares under Guernsey law in the same manner as under English law, but the requirement to obtain similar sanctions as to those required under section 551 of the Act has been enshrined in the New Obtala Articles, adapted where appropriate to comply with Guernsey law.
- 3.3 The circumstances in which the Guernsey Companies Law permits a Guernsey company to indemnify its directors in respect of liabilities incurred by the directors in carrying out their duties are limited, albeit in a slightly different manner to English companies. There is however no general prohibition on the granting of loans by a company to its directors under Guernsey law (but directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted to be done by that director in carrying out his duties may be funded by way of loans. The Guernsey Companies Law also permits a company to indemnify its directors but the articles of incorporation of a company must exclude indemnification under certain circumstances such as, for example, negligence, default, breach of duty or breach of trust in relation to the Company.
- 3.4 Guernsey law does not require that shareholders approve compensation payments made to directors for loss of office, whereas under English law, a payment by a company for loss of office to a director of a company or its holding company, or their connected persons, must be approved by a resolution of shareholders.
- 3.5 The Guernsey Companies Law does not require the directors of a company to disclose to the company their beneficial ownership of any shares in the company (although they must disclose to the company the nature and extent of any direct or indirect interest which conflicts, or may conflict to a material extent with, a transaction into which the company or any of its subsidiaries is proposing to enter). However, as a company whose shares are admitted to trading on AIM, New Obtala and shareholders in New Obtala will be required to comply with the Disclosure and Transparency Rules which contain such requirements (Rule 17 of the AIM Rules require the disclosure of such interests by the directors).
- 3.6 The Guernsey Companies Law does not grant the directors a statutory power to request information concerning the beneficial ownership of shares, but powers based on section 793 of the Act have been

incorporated into the New Obtala Articles entitling the directors to request information to establish details of interests in shares in New Obtala.

- 3.7 Guernsey law allows members holding more than 10 per cent. of the issued share capital (by voting rights) to require the holding of a general meeting. The Guernsey Companies Law requires such a meeting to be called within 21 days of the requisition notice and to be held within 28 days of the date of sending the notice to call the meeting. The New Obtala Articles therefore provides for a requisitioned meeting to be convened in accordance with the Guernsey Companies Law.
- 3.8 The Guernsey Companies Law does not confer on members the right to an independent scrutiny of a poll taken, or to be taken, at a general meeting, nor does it confer rights on members to require a company to circulate resolutions proposed to be moved by members at the next annual general meeting, or to circulate explanatory statements relating to any matter relating to a proposed resolution at a general meeting, or rights for a nominee holder of shares to have information rights granted to the underlying beneficial owner of the shares, but the right of the chairman of the meeting to appoint an independent scrutineer has been incorporated into the New Obtala Articles, as described in paragraph 2 of this Part.
- 3.9 There is no express restriction on donations by a company to political organisations under Guernsey law.
- 3.10 Under the Guernsey Companies Law, at a meeting of shareholders, a poll may be demanded in respect of any question by: (i) not less than five shareholders having the right to vote on the resolution; or (ii) a shareholder or shareholders representing not less than 10 per cent. of the total voting rights of all shareholders having the right to vote on the resolution whereas, in addition, under the Act, a shareholder or shareholders representing 10 per cent. of the total sum paid up on all shares giving the right to vote may also demand a poll.
- 3.11 Guernsey law includes an equivalent provision relating to protection of shareholders against unfair prejudice.
- 3.12 New Obtala could implement a scheme of arrangement under the Guernsey Companies Law.
- 3.13 The provisions of the Guernsey Companies Law which set out a compulsory acquisition procedure (that is, “squeeze-out” rights similar to those in the Act) do apply to New Obtala; however, the Guernsey Companies Law does not contain “sell-out” rights similar to those in the Act).
- 3.14 Under Guernsey law, the procedures for dissolving a Guernsey company are winding up and *désastre*. A winding up may be voluntary or compulsory. In either case a liquidator is appointed to realise the assets, pay the creditors and distribute the surplus (if any) to the shareholders entitled thereto. Guernsey companies may be placed into administration. A creditor wishing to dissolve a Guernsey company may seek to have the company’s property declared *en désastre* (literally meaning “in disaster”). If the company’s property is declared *en désastre*, all of the powers and property of the company (whether present or future or situated in Guernsey or elsewhere) are vested in the Commissioner (an officer of the court). The role of the Commissioner is similar to that of a liquidator. The Commissioner’s principal duty is to act for the benefit of the company’s creditors.
- 3.15 Under the Guernsey Companies Law the New Obtala Directors can declare and pay dividends provided that New Obtala can meet the solvency test (as set out in the Guernsey Companies Law) after the time the dividend is paid and New Obtala complies with any other obligation imposed on it in the articles of incorporation. There is no requirement that dividends be paid out of profits. Accordingly, restrictions on the payment of dividends such that they must be paid out of profits and that dividends (other than interim dividends) must be authorised by the shareholders have been included in the New Obtala Articles.
- 3.16 Under the Guernsey Companies Law New Obtala can acquire New Obtala Shares if authorised by the Shareholders provided that New Obtala can meet the solvency test (as set out in the Guernsey Companies Law) after the time acquisition has been completed and New Obtala complies with any

other obligation imposed on it in the articles of incorporation. There is no requirement that the acquisition be paid for out of profits. Accordingly, restrictions on the acquisition of New Obtala Shares such that they must be paid out of profits and that the acquisition must be authorised by the shareholders have been included in the New Obtala Articles.

This list is intended to be illustrative only and does not purport to be exhaustive or to constitute legal advice. Any Old Obtala Shareholder wishing to obtain future information regarding his rights as a New Obtala Ordinary Shareholder under Guernsey should consult his Guernsey legal advisers.

4. AIM Rules, the Disclosure and Transparency Rules, the Combined Code and insider dealing

Following and subject to Admission, New Obtala will be required to comply with the AIM Rules, (including rules relating to related party transactions, and class transactions) and certain parts of the Disclosure and Transparency Rules. In certain of the instances where the AIM Rules and the Disclosure and Transparency Rules apply differently to an overseas company, provision has been made in the New Obtala Articles to apply the rules as if New Obtala was a company incorporated in the UK. For example the New Obtala Articles provide that shareholders must comply with the rules contained in DTR 5 of the Disclosure and Transparency Rules relating to disclosure of major shareholdings and other controlling voting rights in New Obtala as if it were a UK-incorporated company.

New Obtala intends, upon implementation of the Scheme, to comply with the Combined Code to the same extent that Old Obtala does.

The insider dealing legislation set out in the UK Criminal Justice Act 1993, as well as provisions relating to market abuse, will apply to New Obtala and dealings with New Obtala Shares, alongside the parallel provisions of Guernsey law, to the extent that they are applicable.

5. The Takeover Code

The Takeover Code normally applies to companies whose shares are admitted to trading on AIM if its registered office is in the United Kingdom, the Channel Islands or the Isle of Man and it is considered by the Panel on Takeovers and Mergers (the "Panel") to have its place of central management and control in one of these jurisdictions.

At present, the Takeover Code applies to Old Obtala. However it is possible that at some time after Admission more than half of the directors of New Obtala will be resident outside the United Kingdom, and as a result the place of central management and control of New Obtala will then be outside the United Kingdom, the Channel Islands and the Isle of Man. Accordingly, as the Takeover Code would therefore at that time no longer apply to New Obtala. In order to seek to provide New Obtala Shareholders with certain protections which would no longer be available as a result of this, the New Obtala Articles provide as follows in circumstances where the Takeover Code does not apply:

Where any person acquires an interest in shares which (taken together with shares held or acquired by persons acting in concert with him) represent 30 per cent. or more of all the shares for the time being in issue, the New Obtala Directors may serve upon that person a notice requiring him to make an offer in writing (the "Offer"), within 30 days of the date of such notice on the basis set out below to purchase all shares not owned by him for cash on terms that payment in full therefor will be made within 21 days of the Offer becoming or being declared unconditional in all respects.

Where the New Obtala Directors serve such a notice upon any person they may include a requirement that such person shall make an appropriate offer or proposal in writing to the holders of every class of securities convertible into, or of rights to subscribe for, share capital of New Obtala (whether such share capital is voting or non-voting) (a "Convertible Offer").

In addition to the Offeror, the New Obtala Directors may require, in their absolute discretion, each of the principal members of a group of persons acting in concert with him and who appear to be interested in any shares in, or convertible securities of, New Obtala to make the Offer and/or the Convertible Offer.

If the New Obtala Directors require the Offeror (and any person(s) acting in concert with the Offeror) to make the Offer (and, if relevant, a Convertible Offer) and the Offeror (and such person(s) acting in concert with him) does not/do not comply with the request set out in the relevant notice within the time period specified in such notice then the New Obtala Directors may at any time, by notice to the Offeror (and the person(s) acting in concert with him), direct that:

- 5.1 the Offeror (and the person(s) acting in concert with him) is not entitled to vote at or attend, either personally or by proxy, a general meeting or a meeting of the holders of any class of shares of New Obtala held by him/them or to exercise any other right conferred by membership in relation to general meetings of the holders of any class of shares of New Obtala; and/or
- 5.2 any dividend or other money which would otherwise be payable the Offeror (or the person(s) acting in concert with him) shall (in whole or part) be retained by New Obtala without any liability to pay interest when the dividend or money is paid to the member; and/or
- 5.3 no transfer of the New Obtala Shares held by the Offeror (or the person(s) acting in concert with him) shall be registered.

Unless the New Obtala Directors otherwise agree, the Offer must be in cash or be accompanied by a cash alternative offer at not less than the highest price paid by the Offeror or any person acting in concert with it for shares or convertible securities of that class within the preceding 12 months. The Offer must also be conditional only on the Offeror having received acceptances in respect of New Obtala Shares which, together with New Obtala Shares acquired or agreed to be acquired before or during the Offer, will result in the Offeror and any person acting in concert with him holding New Obtala Shares which carry more than 50 per cent. of the voting rights in New Obtala.

In enforcing these provisions the New Obtala Board shall make decisions at their absolute discretion.

The New Obtala Shareholders may, by passing a special resolution in general meeting, determine that the takeover provisions set out above shall not apply to any transaction specified in such special resolution.

6. Taxation

6.1 *Guernsey Taxation*

The following summary of the anticipated treatment of New Obtala and holders of New Obtala Shares (other than holders who are tax resident in Guernsey) is based on Guernsey taxation law as it is understood to apply at the date of this document. It does not constitute legal or tax advice. Old Obtala Shareholders should consult their professional advisers on the implications of acquiring, buying, holding, selling or otherwise disposing of New Obtala Shares under the laws of the jurisdictions in which they may be liable to taxation. Old Obtala Shareholders should be aware that tax laws, rules and practice and their interpretation may change.

6.1.1 *Income tax*

New Obtala

Under The Income Tax (Guernsey) Law, 1975 (the “**Guernsey Income Tax Law**”), New Obtala will be regarded as resident in Guernsey under Article 4 of the Guernsey Income Tax Law, in which case New Obtala will submit a Guernsey tax return and be potentially liable to Guernsey income tax.

If New Obtala derives any income from the ownership or disposal of land in Guernsey, such income will be subject to tax at the rate of 20 per cent. It is not expected that New Obtala will derive any such income.

Holders of New Obtala Shares

New Obtala will be entitled to pay dividends to holders of New Obtala Shares without any withholding or deduction for or on account of Guernsey tax.

Holders of New Obtala Shares (other than holders who are tax resident in Guernsey, Herm or Alderney) will not be subject to any tax in Guernsey in respect of the holding, sale or other disposition of such New Obtala Shares.

6.1.2 *Goods and services tax*

There is currently no goods or services tax in Guernsey tax law.

The Policy Council of the States of Guernsey has stated that it may consider further revenue raising measures in 2011/2012, including possibly the introduction of a goods and services tax. Draft legislation has been put forward to enable its introduction but as yet no such tax has been introduced.

6.1.3 *Stamp duty*

No stamp duty is payable in Guernsey on the issue or on any transfer of New Obtala Shares. UK stamp duty will continue to be paid when shares and securities are acquired in UK companies.

Upon the death of a holder of New Obtala Shares, a grant of probate or letters of administration will be required to transfer the New Obtala Shares of the deceased person, except that where the deceased person was domiciled outside of Guernsey at the time of death, New Obtala may (at its discretion) dispense with this requirement where the value of the deceased's movable estate in Guernsey does not exceed £10,000.

Upon the death of a holder of New Obtala Shares, fees to the Ecclesiastical Court in Guernsey will be payable on the registration in Guernsey of a grant of probate or letters of administration, which will be required in order to transfer or otherwise deal with:

- (a) (where the deceased person was domiciled in Guernsey at the time of death) the deceased person's personal estate wherever situated (including any New Obtala Shares) if the net value of such personal estate exceeds £10,000; or
- (b) (if the deceased person was domiciled outside of Guernsey at the time of death) the deceased person's personal estate situated in Guernsey (including any New Obtala Shares) if the net value of such personal estate exceeds £10,000.

6.2 *UK taxation*

The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current legislation and on what is understood to be current HM Revenue and Customs practice. They summarise certain limited aspects of the UK taxation consequences of the Scheme and the holding and disposing of New Obtala Shares. Unless otherwise expressly stated, they apply only to Old Obtala Shareholders (or New Obtala Shareholders) who are resident or ordinarily resident in the United Kingdom for taxation purposes, who hold their Old Obtala Shares (and who will hold their New Obtala Shares) as an investment (other than under a personal equity plan or an individual savings account), who are the absolute beneficial owners of those shares and who have not (and are not deemed to have) acquired those shares by virtue of an office or employment (whether current, historic or prospective). In addition, these comments may not apply to certain classes of Old Obtala Shareholder or New Obtala Ordinary Shareholder such as collective investment schemes and insurance companies. If you are in any doubt about your tax position in relation to the Proposals or the holding of New Obtala Shares, you should consult your own professional adviser without delay.

6.2.1 *UK taxation consequences of the Scheme*

An Old Obtala Shareholder who does not hold (either alone or together with other persons connected with him) more than 5 per cent. of, or of any class of, shares in or debentures of Old

Obtala should not be treated as having made a disposal or part disposal of his Old Obtala Shares for the purposes of UK taxation of chargeable gains on implementation of the Scheme. Instead any chargeable gain or allowable loss which would otherwise have arisen on a disposal of such holder's Old Obtala Shares should be "rolled over" into his New Obtala Shares. As a result, the New Obtala Shares should be treated as the same asset and as having been acquired at the same time and for the same consideration as the Old Obtala Shares from which they derived.

An Old Obtala Shareholder who does hold (either alone or together with other persons connected with him) more than 5 per cent. of, or of any class of, shares in or debentures of Old Obtala should not be treated as having made a disposal or part disposal of his Old Obtala Shares for the purposes of UK taxation of chargeable gains on the implementation of the Scheme and should be able to "roll over" any chargeable gain or allowable loss into his New Obtala Shares as described above provided the Scheme (i) is effected for *bona fide* commercial reasons and (ii) does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is avoidance of liability to capital gains tax or corporation tax. If these conditions are not met, then such an Old Obtala Shareholder who is resident or, in the case of an individual, ordinarily resident, in the UK will be treated, on receiving New Obtala Shares as consideration for the cancellation of his Old Obtala Shares, as having made a disposal of his Old Obtala Shares which may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains. Application has been made to HM Revenue and Customs under section 138 of the Taxation of Chargeable Gains Act 1992 and clearance has been granted that these provisos have been met.

6.2.2 *UK stamp duty and stamp duty reserve tax ("SDRT") consequences of the Scheme*

No stamp duty or SDRT will arise on the cancellation of the Old Obtala Shares or the allotment and issue of the New Obtala Shares under the Scheme. Application has been made to HM Revenue and Customs for confirmation of this.

The subsequent conveyance or transfer on sale of New Obtala Shares will generally be subject to *ad valorem* stamp duty, normally at a rate of 0.5 per cent. (rounded up to the nearest £5) of the amount or value of the consideration. No duty will be payable on transactions, the total value of which is less than £1,000.

6.2.3 *UK taxation consequences of disposing of New Obtala Shares*

A subsequent disposal of New Obtala Shares by a New Obtala Ordinary Shareholder may, depending on their individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

A subsequent disposal of New Obtala Shares by a New Obtala Ordinary Shareholder who is not resident in the UK for tax purposes but who carries on a trade, profession or vocation in the UK through a branch, agency or permanent establishment and has used, held or acquired the New Obtala Shares for the purposes of such trade, profession or vocation or such branch, agency or permanent establishment may, depending on their individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

A New Obtala Ordinary Shareholder who is an individual not domiciled in the UK may, if all relevant claims are made and charges paid, be liable to UK capital gains tax only to the extent that chargeable gains made on the disposal of New Obtala Shares are remitted or deemed to be remitted to the UK.

A New Obtala Ordinary Shareholder who is an individual and who is temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK taxation on a chargeable gain realised on the disposal or part disposal of his New Obtala Shares during the period when he is non-resident.

On the basis that a New Obtala Ordinary Shareholder was able to “roll over” any chargeable gain or allowable loss which would otherwise have arisen on the disposal of such holder’s Old Obtala Shares on implementation of the Scheme (as set out above in the section entitled “*UK taxation consequences of the Scheme*”), any chargeable gain or allowable loss on the disposal of New Obtala Shares should be calculated taking into account the allowable original cost to the Old Obtala Shareholder of acquiring the Old Obtala Shares from which the New Obtala Shares are derived.

For corporate shareholders only, indexation allowance on the relevant proportion of the original allowable cost should be taken into account for the purposes of calculating a chargeable gain (but not an allowable loss) arising on a disposal or part disposal of their New Obtala Shares. No indexation allowance or taper relief will be available to individual shareholders on disposals of their New Obtala Shares.

6.2.4 *UK taxation on dividends*

Dividends paid by New Obtala will be regarded as foreign dividends rather than UK dividends on the basis that New Obtala is and remains resident for all tax purposes in Guernsey.

Individual New Obtala Shareholders owning less than 10 per cent. of the New Obtala Shares should be entitled to a tax credit in respect of any such foreign dividend equal to one ninth of the dividend received. Such tax credit, in the case of individual New Obtala Shareholders who are subject only to tax at the basic rate (and are, therefore, chargeable to tax on dividends at the dividend ordinary rate of 10 per cent.), should be available to offset the liability to pay tax in respect of the dividend. Individual New Obtala Shareholders who are subject to tax at the higher rate of 40 per cent. (and are, therefore, subject to tax on dividends at the dividend upper rate of 32.5 per cent.) should account for tax on the dividend (together with the related tax credit) at 32.5 per cent., but should be able to set the credit mentioned above against such liability. In practice, New Obtala Shareholders who are subject to tax at the higher rate should pay tax equal to 25 per cent. of the dividend received. Individuals are subject to tax on gross dividends (including foreign dividends) at a rate of 42.5 per cent. to the extent that the gross dividend falls above a threshold of income of £150,000 and should pay tax at the rate of 36.1 per cent. of the dividend received. For those individual New Obtala Shareholders owning 10 per cent. or more of the New Obtala Shares the tax credit may not be available as the UK/Guernsey double tax arrangement does not include a non-discrimination provision.

New Obtala Shareholders who are not liable to income tax on dividends paid by New Obtala will not be entitled to claim repayment of the tax credit attaching to such dividends from HM Revenue and Customs.

A corporate New Obtala Shareholder that is a company resident for tax purposes in the United Kingdom, but which is not a “small company”, will generally be exempt from United Kingdom corporation tax on any dividend that it receives from New Obtala (although it should be noted that detailed rules in Part 9A of the Corporation Tax Act 2009 will need to be considered in respect of any such dividend receipt which in some limited circumstances, can prevent the application of the exemption).

6.2.5 *Attribution of gains to members of non-resident Companies*

The attention of persons resident or ordinarily resident in the UK for taxation purposes (whether or not domiciled in the UK) is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992. Generally, if a non-UK resident company (such as New Obtala) is controlled by five or fewer persons, or by participants who are directors, then its capital gains are apportioned amongst the participants in the company’s income or capital and taxed in their hands if they are UK taxpayers according to each person’s proportionate interest in the company. These rules do not apply to any person who does not have greater than a 10 per cent.

interest in the company. However, in calculating the size of interest, the interests of connected persons are aggregated. The rules apply to non-domiciled persons in a modified way.

6.2.6 *Transfer of assets abroad*

The attention of individuals ordinarily resident in the UK for taxation purposes is drawn to Chapter 2 of Part 13 of the Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income or profits of New Obtala. These provisions apply where an ordinarily UK resident person makes a “relevant transfer” to a non-resident person and as a result income from which the individual may benefit becomes payable to that nonresident person.

However, the provisions do not apply if such a shareholder can satisfy HM Revenue and Customs that either:

- (a) it would not be reasonable to draw the conclusion, from all the circumstances of the case, that the purpose of avoiding liability to taxation was the purpose, or one of the purposes, for which the relevant transactions or any of them were effected; or
- (b) that all the relevant transactions were genuine commercial transactions and it would not be reasonable to draw the conclusion, from all the circumstances of the case, that any one or more of those transactions was more than incidentally designed for the purpose of avoiding liability to taxation.

7. ZAI

ZAI has given and not withdrawn its written consent to the issue of this document and the references to its name in the form and context in which it is included.

In accordance with customary practice in providing financial advice ZAI has not provided legal or taxation advice in relation to the Scheme.

8. Costs and expenses

All costs and expenses relating to the issue of this document and the Appendix to AIM Announcement and the negotiation, preparation and implementation of the Proposals will be borne by Old Obtala. The Court’s approval will be sought for this as part of the Scheme in order to ensure compliance with section 678 of the Act.

PART 4

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

IN THE HIGH COURT OF JUSTICE

No. 6136 of 2010

CHANCERY DIVISION
COMPANIES COURT

Between
Obtala Resources plc
and
the Scheme Shareholders (as hereinafter defined)

Preliminary

(A) In this scheme of arrangement, references to Clauses are references to clauses of this scheme of arrangement and the following expressions shall, unless inconsistent with the subject or context, bear the following meanings:

Act	means the Companies Act 2006;
Business Day	means a day (other than a Saturday or a Sunday) on which banks are open for business in London other than solely for trading and settlement in Euro;
Capita Registrars	means a trading name of Capita Registrars Limited
Court	means the Companies Court of the High Court of Justice of England and Wales;
Court Meeting	means the meeting of Old Obtala Shareholders convened by order of the Court pursuant to section 896 of the Act, notice of which is set out on pages 46 and 47 of this document, or any adjournment thereof;
CREST	means the computerised system for the paperless settlement of sales and purchases of securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
CREST Regulations	means the Uncertificated Securities Regulations 2001 (S1 2001 No. 3755), or the Companies (Uncertificated Securities) (Guernsey) Order 1999, as amended from time to time (as applicable);
General Meeting	means the general meeting of Old Obtala convened for 10.10 a.m. on 31 August 2010 or if later, as soon as possible after the conclusion or adjournment of the Court Meeting;
Euroclear	means Euroclear UK and Ireland Limited, the operator of CREST;
Holder	means a registered holder and includes any person entitled by transmission;
New Ordinary Shares	means ordinary shares of 1 penny each in the capital of Old Obtala to be issued to New Obtala;

New Obtala	Obtala Resources Limited, a company limited by shares incorporated in Guernsey with registered number 52184;
New Obtala Shares	means ordinary shares of 1 penny each in the capital of New Obtala;
Old Obtala	means Obtala Resources plc;
Old Obtala Articles	means the articles of association of Old Obtala as at the date of this Scheme;
Old Obtala Shares	means ordinary shares of 1 penny each in the capital of Old Obtala in issue prior to the Scheme Effective Date;
Overseas Shareholders	means a Scheme Shareholder who is a citizen, resident or national of any jurisdiction outside the United Kingdom;
Scheme	means this scheme of arrangement in its present form or with any modification thereof or addition thereto or condition approved or imposed by the Court;
Scheme Effective Date	means the date on which the Scheme becomes effective in accordance with Clause 6.1;
Scheme Shareholder	means a holder of Scheme Shares;
Scheme Shares	means: <ul style="list-style-type: none"> (a) all Old Obtala Shares in issue at the date of the Scheme and which remain in issue at the Scheme Record Time; (b) all (if any) additional Old Obtala Shares issued after the date of the Scheme and prior to the Voting Record Time and which remain in issue at the Scheme Record Time; and (c) all (if any) further Old Obtala Shares issued after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holders shall be bound or shall have agreed in writing by such time to be bound by the Scheme and which remain in issue at the Scheme Record Time; but excluding any Old Obtala Shares held by New Obtala;
Scheme Record Date	means the Scheme Effective Date;
Scheme Record Time	means 6.00 p.m. on the Scheme Record Date; and
“Voting Record Time”	6.00 p.m. on the day falling two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day falling two days before the date of any adjourned meeting.

- (B) The Old Obtala Articles state the Company’s authorised share capital as and accordingly limit the maximum amount of capital which may be allotted by the Company to £2,500,000 divided into 250,000,000 ordinary shares of 1 penny each. At the date of this Scheme, there are 222,153,252 ordinary shares of 1 penny each in issue and fully paid up, there being no treasury shares. It is

proposed that one unissued Old Obtala Share be reclassified as a Deferred Share and that such share be issued to New Obtala for cash before the Scheme Record Time.

- (C) New Obtala was incorporated and registered in Guernsey on 20 July 2010 under the Guernsey Companies Law as a company limited by shares under the name Obtala Resources Limited with registered number 52184.
- (D) The share capital of New Obtala at the date of this Scheme is an unlimited number of ordinary shares of 1 penny each of which two are issued and fully paid.
- (E) New Obtala has agreed to appear by Counsel on the hearing of the claim form to sanction the Scheme and to undertake to the Court to be bound thereby and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme.

THE SCHEME

1. Cancellation of Scheme Shares

- 1.1 The share capital of Old Obtala shall be reduced by cancelling and extinguishing the Scheme Shares.
- 1.2 Forthwith and contingently upon the reduction of capital referred to in Clause 1.1 taking effect:
 - 1.2.1 the share capital of Old Obtala shall be increased to its former amount by the creation of such number of New Ordinary Shares of 1 penny each as shall be of an aggregate nominal value equal to the aggregate nominal value of the Scheme Shares cancelled pursuant to Clause 1.1 above; and
 - 1.2.2 Old Obtala shall apply the credit arising in its books of account as a result of the reduction of the Scheme Shares pursuant to Clause 1.2.1 above in paying up in full at par such number of New Ordinary Shares created pursuant to Clause 1.2.1 above and shall allot and issue the same, credited as fully paid, to New Obtala and/or its nominee(s).
- 1.3 Old Obtala shall be re-registered as a private company pursuant to section 651 of the Act and Old Obtala's Articles shall be re-amended accordingly.

2. New Shares

- 2.1 In consideration of the cancellation of the Scheme Shares and the issue of the New Ordinary Shares to New Obtala pursuant to Clause 1.2.2 of this Scheme, New Obtala shall (subject to the provisions of Clause 2.2) compensate the Scheme Shareholders for each Scheme Share held by them at the Record Date and shall allot and issue (credited as fully paid) New Obtala Shares to the Scheme Shareholders on the following basis:

one **New Obtala Share** for each **Scheme Share**
held at the Scheme Record Time

- 2.2 The provisions of Clause 2.1 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholders, New Obtala is advised that the allotment and issue of New Obtala Shares pursuant to this Clause would or might infringe the laws of any jurisdiction outside the United Kingdom or would or might require New Obtala to obtain any governmental or other consent or effect any registration, filing or other formality, then New Obtala may in its sole discretion determine that:
 - 2.2.1 New Obtala Shares shall not be allotted and issued to such Overseas Shareholder under this Clause but shall instead be allotted and issued to a nominee appointed by New Obtala, as trustee for such Overseas Shareholder, on terms that they shall, as soon as reasonably practicable following the Scheme Effective Date, be sold on behalf of such Overseas Shareholder at the best price which can reasonably be obtained and the net proceeds of such

sale shall (after the deduction of all expenses and commissions) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3 none of Old Obtala, New Obtala, any nominee referred to in this Clause 2.2.1 or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale; or

2.2.2 such New Obtala Shares shall be sold, in which event the New Obtala Shares shall be allotted and issued to such holder and New Obtala shall appoint a person to act pursuant to this Clause 2.2.2 and such person shall be authorised on behalf of such holder to procure that any shares in respect of which New Obtala has made such determination shall, as soon as practicable following the Scheme Effective Date, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable comprised therein) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3. To give effect to any such sale, the person so appointed shall be authorised on behalf of such holder to execute and deliver a form of transfer and to give instructions and do all such things which he may consider necessary or expedient in connection with such sale. None of Old Obtala, New Obtala, any appointee referred to in this Clause 2.2.2 or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale.

3. Certificates and payment

- 3.1 Not later than fourteen (14) days after the Scheme Effective Date, New Obtala shall allot and issue all the New Obtala Shares which it is required to allot and issue pursuant to Clause 2.1 and not later than fourteen (14) Days after the Scheme Effective Date, New Obtala shall send by post to the allottees of the allotted and issued New Obtala Shares certificates in respect of such shares, save that where Scheme Shares are held in uncertificated form, New Obtala shall procure that CREST is instructed to cancel the entitlement to Scheme Shares of each of the Scheme Shareholders concerned and to credit to the appropriate stock account in CREST of the Scheme Shareholder concerned such shareholder's entitlement to New Obtala Shares.
- 3.2 Not later than fourteen (14) days after the Scheme Effective Date, Old Obtala shall arrange for the delivery to New Obtala of certificates in respect of its holdings of New Ordinary Shares.
- 3.3 Not later than fourteen (14) days following the sale of any relevant New Obtala Shares pursuant to Clause 2.2, New Obtala shall procure that the nominee or appointee, as the case may be, shall account for the cash payable by despatching to the persons respectively entitled thereto cheques by post.
- 3.4 All certificates required to be sent by New Obtala pursuant to Clause 3.1 and all cheques required to be sent pursuant to Clause 3.3 shall be sent through the post in pre-paid envelopes addressed to the person respectively entitled thereto at their respective addresses appearing in the register of members of Old Obtala at the close of business on the Scheme Record Date (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the register in respect of the joint holding) or in accordance with any special instructions regarding communications received at the registered office of Old Obtala prior to the Scheme Record Date.
- 3.5 None of Old Obtala, New Obtala, or any agent of them shall be responsible for any loss or delay in transmission of certificates or cheques or condition imposed by law.
- 3.6 The preceding sub-clauses of this Clause 3 shall take effect subject to any prohibition or condition imposed by law.
- 3.7 All cheques shall be made payable to the holder or, in the case of joint holders, to that one of the joint holders of the Scheme Shares concerned whose name stands first in the register in respect of the joint holding and the encashment of any such cheque shall be a complete discharge of New Obtala for the moneys represented thereby.

4. Certificates representing Scheme Shares

With effect from and including the Scheme Effective Date, all certificates representing holdings of Scheme Shares shall cease to be valid in respect of such holdings and the holders of such shares shall be bound at the request of Old Obtala to deliver such certificates for cancellation to Old Obtala or to any person appointed by Old Obtala to receive the same.

5. Mandates

Each mandate in force at the Scheme Record Time relating to the payment of dividends on Scheme Shares and each instruction then in force as to notices and other communications from Old Obtala shall, unless and until varied or revoked, be deemed from and including the Scheme Effective Date to be a valid and effective mandate or instruction to New Obtala in relation to the corresponding New Obtala Shares to be allotted and issued pursuant to the Scheme.

6. Scheme Effective Date

- 6.1 The Scheme shall become effective as soon as an office copy of the Order(s) of the Court sanctioning the Scheme under section 899 of the Act and confirming under section 648 of the Act the reduction of capital provided for under the Scheme shall have been delivered to the Registrar of Companies or, if the Court so orders, the Order(s) confirming the Reduction of Capital registered by him.
- 6.2 Unless the Scheme shall have become effective on or before 31 October 2010 or such later date, if any, as Old Obtala and New Obtala may agree and the Court may allow, it shall lapse.

7. Modification

Old Obtala and New Obtala may jointly consent on behalf of all persons concerned to any modification of or addition to the Scheme or to any condition which the Court may think fit to approve or impose.

8. Costs

Old Obtala is authorised and permitted to pay all the costs and expenses relating to the negotiation, preparation and implementation of the Scheme.

PART 5

NOTICE OF MEETINGS

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No. 6136 of 2010

IN THE MATTER OF OBTALA RESOURCES PLC
and
IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 5 August 2010 made in the above matters the Court has granted permission for a meeting (the “**Court Meeting**”) to be convened of the holders of the ordinary shares of 1 penny each (hereinafter called the “**Old Obtala Shares**”) in Obtala Resources plc (hereinafter called the “**Company**”) for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be made between the Company and the holders of Old Obtala Shares expressed to be subject to that Scheme of Arrangement and that such meeting will be held at the offices of Fasken Martineau LLP, Fourth Floor, 17 Hanover Square, London W1S 1HU at 10.00 a.m. on 31 August 2010 at which place and time all the holder of Old Obtala Shares are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the Explanatory Statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

Holders of Old Obtala Shares entitled to vote at the Court Meeting may vote thereat in person or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead. A blue form of proxy for use at the Court Meeting is enclosed herewith.

It is requested that forms of proxy (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority) be lodged by post or by courier or by hand with the Registrars of the Company, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 48 hours before the time appointed for the Court Meeting or, if the meeting is adjourned, by no later than 48 hours before the time of the adjourned meeting but, if forms are not so lodged, they may be handed to the Registrars or the Chairman at the Court Meeting.

Forms of proxy submitted by fax will not be accepted.

If shares are held in uncertificated form, a proxy may also be appointed through CREST as detailed in the Notes for CREST Members below.

The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 1, specifies that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 29 August 2010 (or, in the case of adjournment, as at 6.00 p.m. on the date two days preceding the date of the adjourned 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 register after such time will be disregarded in determining the right of any person to attend and/or vote at the meeting.

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “Nominated Person”) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.

In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names appear in the register of members of the Company in respect of the joint holding.

As at 5 August 2010 (being the last business day prior to the publication of this document) the Company's issued share capital (there being no treasury shares) consists of 222,153,252 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 5 August 2010 are 222,153,252.

By the said Order, the Court has appointed Simon Rollason or, failing him, Michael Bretherton, or failing him Nicholas Clarke, or failing him any other director to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Fasken Martineau LLP
17 Hanover Square
London
W1S 1HU

Solicitors for the Company

Dated 6 August 2010

NOTE FOR CREST MEMBERS

Electronic proxy appointment through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using 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 or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 10.00 a.m. on 29 August 2010 (or 48 hours preceding the date and time for any adjourned meeting). 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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.

Obtala Resources plc

(registered in England No. 06458554)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Obtala Resources plc (the “Company”) will be held at the offices of Fasken Martineau LLP, Fourth Floor, 17 Hanover Square, London W1S 1HU on 31 August 2010 at 10.10 a.m. (or as soon as possible after the meeting of the holders of ordinary shares of 1p in the capital of the Company convened by the High Court of Justice in England and Wales for the same place and date has been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions, all of which will be passed as special resolutions:

1. That, the Scheme of Arrangement dated 6 August 2010, between the Company and the holders of the Company’s ordinary shares, in its original form or with or subject to any modification, addition or condition approved or imposed by the Court (the “**Scheme**”) be approved and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect.
2. That with effect from the passing of this resolution:
 - (a) one share of 1 pence in the capital of the Company be issued as a Deferred Share to New Obtala, such Deferred Share to have the rights set out in the Articles of Association of the Company as amended pursuant to paragraph (b) below;
 - (b) the Articles of Association of the Company be amended by the adoption and inclusion of the following new Article 5A:

“5A.1 The Deferred Share so designated by special resolution of the Company passed on the same date as the date of adoption of this Article shall have all the rights of an ordinary share as set out in these Articles, save that:

5A.1.1 *the holder of the Deferred Share shall not be entitled to receive a dividend or other distribution or to have any other right to participate in the profits of the Company;*

5A.1.2 *the holder of the Deferred Share shall have no right to attend or vote at any general meeting of the Company;*

5A.1.3 *on a return of capital or winding-up of the Company, the holder of the Deferred Share shall be entitled, subject to the payment to the holders of all other classes of shares of the amount paid up or credited as paid up on such shares, to a repayment of the amount paid up or credited as paid up on the Deferred Share, but shall have no further or other right to participate in the assets of the Company; and*

5A.1.4 *immediately upon the allotment of the New Obtala Shares (as defined in the Scheme) to New Obtala taking effect, the Deferred Share shall automatically and without further act convert into one Ordinary Share ranking pari passu with the existing Ordinary Shares”.*
3. For the purpose of giving effect to the Scheme, the capital of the Company be reduced by cancelling and extinguishing all the ordinary shares of 1 penny each in the capital of the Company subject to the Scheme (the “**Scheme Shares**”).
4. Forthwith and contingently upon the said reduction of capital taking effect:
 - (a) the authorised share capital of the Company be increased to its former amount by the creation of new ordinary shares of 1 penny each (the “**New Ordinary Shares**”) as is equal to the number of Scheme Shares cancelled pursuant to Resolution 3 above; and

- (b) the Company shall apply the credit arising in its books of account as a result of such reduction of capital effected pursuant to Resolution 3 above in paying up, in full at par, the new shares created pursuant to Resolution 4(a) above and shall allot and issue the same, credited as fully paid, to Obtala Resources Limited and/or Obtala Resources Limited's nominee or nominees.
5. The directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006, to allot the New Obtala Shares referred to in Resolution 3(a) above provided that (i) the maximum number of shares which may be allotted hereunder is the number (not exceeding 222,153,252) necessary to effect such allotments, (ii) this authority shall expire on 31 December 2010 and (iii) this authority shall be in addition to any subsisting authority conferred on the directors of the Company pursuant to the said section 551.
6. Forthwith upon the passing of this special resolution and contingent upon the Scheme becoming effective, the Articles of Association of the Company be amended by the adoption and inclusion of the following new Article 205:

“Scheme of Arrangement

205.1 *In this Article, references to the “Scheme” are to the scheme of arrangement dated 6 August 2010 between the Company and the holders of Scheme Shares (as defined in the said Scheme) under Part 26 of the Companies Act 2006 (in its original form or with or subject to any modification, addition or condition agreed by the Company and New Obtala (as defined in the Scheme) and approved or imposed by the Court) and terms defined in the Scheme shall have the same meanings in this Article.*

205.2 *Notwithstanding any other provision of these Articles, if the Company issues any Ordinary Shares on or after the Voting Record Time (as defined in the Scheme) and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be allotted and issued subject to the terms of the Scheme and the holders of such shares shall be bound by the Scheme accordingly.*

205.3 *Subject to the Scheme becoming effective, if following the Scheme Record Time any shares in the Company are allotted and issued to, any person or persons (each a “New Member”) other than New Obtala or any directly or indirectly wholly owned subsidiary of New Obtala, they will be immediately transferred to New Obtala, or as it may direct, in consideration of and conditional on the payment, issue and allotment to the New Member of one New Obtala Share (as defined in the Scheme) per Ordinary Share as was paid, issued and allotted to a holder of Scheme Shares under the Scheme.*

205.4 205.4.1 *This Article 205.4 shall apply if:*

- (a) *an offer is made to all holders of New Obtala Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror) to acquire the whole or any part of such New Obtala Shares as a result of which the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting may become vested in the offeror and/or such persons or companies as aforesaid (a “General Offer”) and such General Offer becomes or is declared wholly unconditional; or*
- (b) *a scheme of arrangement under the Companies (Guernsey) Law 2008 (a “Scheme of Arrangement”) providing for the acquisition by any person of all of the New Obtala Shares becomes effective.*

205.4.2 *If either of the events referred to in Article 205.4.1 occurs, there shall be substituted for the entitlement to receive the Consideration set out in Article 205.3 one of the following entitlements (“Substituted Entitlements”):*

- (a) *if the shares of the offeror (“Offeror Shares”) are admitted to trading on a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) (“Admitted to Trading”), an entitlement to receive such rounded down number of Offeror Shares the value of which is equal to the value of the New Obtala Shares to which a New Member would otherwise be entitled under the Consideration due pursuant to Article 205.3. For these purposes a New Obtala Share will be deemed to have the same value as is given to a New Obtala Share under the General Offer or Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein). The value of an Offeror Share will be deemed to be either (i) the same as is given to it for the purposes of the General Offer or (ii) Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein) or; (ii) if no value has been given to the Offeror Shares under the terms of the General Offer or Scheme of Arrangement, the average of the mid-market closing price for Offeror Shares for the five business days ending on the date that the full terms and conditions of the General Offer or Scheme of Arrangement are announced on a regulatory information service; or*
- (b) *if the Offeror Shares are not Admitted to Trading, an entitlement to receive a cash sum the amount of which is equal to the value of the New Obtala Shares to which a New Member would otherwise be entitled under the Consideration due pursuant to Article 205.3. For these purposes a New Obtala Share will be deemed to have the same value as is given to a New Obtala Share under the General Offer or Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein); or*
- (c) *either (i) if the basic terms of the General Offer or Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein) is a cash offer or (ii) at the absolute discretion of the Company and notwithstanding that the Offeror Shares are Admitted to Trading, an entitlement to receive a cash sum the amount of which is equal to the value of the New Obtala Shares (as defined in the Scheme) to which a New Member would otherwise be entitled under the Consideration due pursuant to Article 205.3. For these purposes a New Obtala Share will be deemed to have the same value as is given to a New Obtala Share under the General Offer or Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein); or*
- (d) *if the basic terms of the General Offer or Scheme of Arrangement (ignoring any alternatives to the basic offer set out therein) is a cash and shares offer and the Offeror Shares are Admitted to Trading, an entitlement to receive such number of Offeror Shares (calculated in accordance with Article 205.4.2(a)) and such cash amount (calculated in accordance with Article 205.4.2(b)) as reflects the proportion of cash and Offeror Shares offered for each New Obtala Share.*

205.4.3 *As soon as reasonably practicable (and in any event not more than 14 days) following a General Offer becoming or being declared wholly unconditional or a Scheme of Arrangement becoming effective, the Company shall procure that New Obtala shall instruct its adviser (the “Financial Adviser”) to certify the values of the New Obtala Shares and Offeror Shares and the amount of the Substituted Entitlement under Article 205.4.2. The Company shall procure that New Obtala send notice of the Substituted Entitlement to the holders of any rights to subscribe for shares in the Company as soon as practicable (and in any event no later than 14 days) following receipt of the Financial Adviser’s certificate together with a replacement certificate evidencing each holder of Substituted Entitlement for its rights to subscribe for shares in the Company.*

205.4.4 *For the avoidance of doubt, following any adjustment pursuant to Article 205.5 or substitution pursuant to Article 205.4.2:*

- (a) *the rights of each holder of rights to subscribe for shares in the Company (as adjusted or substituted) and so set out in the replacement certificate issued to them shall continue to be subject to the other terms previously applicable thereto; and*
- (b) *the Company will ensure that:*
 - (i) *the provisions of Article 205.5 apply, mutatis mutandis, to any Offeror Shares forming part of the Substituted Entitlement; and*
 - (ii) *if Substituted Entitlements comprising or including Offeror Shares have been substituted under Article 205.2(a) or (d), the provisions of Articles 205.4.1 to 205.4.3 and 205.5 shall apply mutatis mutandis to any subsequent offer made to all holders of Offeror Shares or scheme of arrangement providing for the acquisition by any person of all the Offeror Shares.*

205.5 *On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the consideration to be issued under Article 205.3 shall be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganization or alteration. References in this Article to Ordinary Shares shall, following such adjustment, be construed accordingly.*

205.6 *To give effect to any such transfer required by this Article, the Company may appoint any person to execute a form of transfer on behalf of the New Member in favour of New Obtala, or as it may direct. Pending the registration of New Obtala as the holder of any share to be transferred pursuant to this Article, New Obtala shall be empowered to appoint a person to act as attorney on behalf of the New Member (or any subsequent holder) in accordance with such directions as New Obtala may give in relation to any dealings with or disposal of such share (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and the registered holders of such share shall exercise all rights attaching thereto in accordance with the directions of New Obtala but not otherwise. The consideration to be issued and allotted in consideration for any shares transferred under this Article will be issued and allotted within 14 days of the date of transfer of such shares and such, issue and allotment of such Consideration under this Article shall constitute a complete discharge to New Obtala and the Company in respect of their obligations”.*

7. That, upon the Scheme of Arrangement taking effect:

- (i) the Company be re-registered as a private company under the Companies Act 2006 by the name of Obtala Services Limited and
- (ii) the articles of association of the Company be amended by the deletion of clause 1 of its former memorandum of association and the substitution therefor of the following:

“1 The name of the company is Obtala Services Limited.”

8. THAT, pursuant to Rule 41 of the AIM Rules for Companies, the admission to trading on AIM (a market operated by London Stock Exchange plc) of all of the issued shares of the ordinary shares of 1p each in the capital of the Company be cancelled with effect from the date that the Scheme becomes effective and that application be made and all other necessary steps be taken in order to effect such cancellation.

6 August 2010

Registered Office:

Fifth Floor
17 Hanover Square
London
W1S 1HU

Registered in England and Wales No. 06458554

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 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. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you have any questions relating to this document, any of the Meetings and the completion and return of the Forms of Proxy, please telephone Capita Registrars between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday (except UK public holidays) on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 penny per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor given any financial, legal or tax advice.
2. To be valid the form of proxy (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority) must be lodged with the Registrars, Capita Registrars, by post or by courier or by hand (during normal business hours only) at PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not later than 10.10 a.m. on 29 August 2010 (or 48 hours preceding the dates and time for any adjourned meeting).
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
6. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 29 August 2010 (or, in the case of adjournment, as at 6.00 p.m. on the date two days preceding the date of the adjourned 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 register after such time will be disregarded in determining the right of any person to attend and/or vote at the meeting.
7. As at 5 August 2010 (being the last business day prior to the publication of this document) the Company's issued share capital (there being no treasury shares) consists of 222,153,252 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 5 August 2010 are 222,153,252.
8. In the case of joint shareholders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using 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.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 6.00 p.m. on 29 August 2010 (or 48 hours preceding the date and time for any adjourned meeting). 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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.
12. 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.
13. Voting on all resolutions will be conducted by way of a poll rather than a show of hands.
14. Copies of:
 - (A) the Company's existing Articles of Association;
 - (B) the Company's Articles of Association as amended by resolutions 2 and 6 set out in the notice of meeting; and
 - (C) the Articles of Incorporation of Obtala Resources Limited

are available for inspection at the offices of Fasken Martineau LLP, the Company's solicitors, at 17 Hanover Square, London W1S 1HU (which address is also the Company's registered office) and at the Company's business address at Obtala Resources plc, Martin House, 26-30 Old Church Street, London SW3 5BY during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this notice until close of business on the date of the meeting and will also be available for inspection at the place of the meeting for at least 15 minutes before, and during, the meeting.

PART 6

DEFINITIONS

The following definitions apply throughout this document (except in Part 4 and Part 5 which contains separate definitions) unless the context requires otherwise:

“Act”	the UK Companies Act 2006;
“Admission”	admission of New Obtala Shares to AIM becoming effective in accordance with the AIM Rules;
“Appendix to AIM Announcement”	the Appendix to AIM Announcement dated 6 August 2010 relating to New Obtala and the New Obtala Shares prepared in accordance with the AIM Rules;
“AIM”	the AIM market of the London Stock Exchange;
“AIM Rules”	the rules for AIM companies and their nominated advisers issued by the London Stock Exchange;
“Business Day”	any day other than a Saturday or Sunday on which banks are open for business in London other than solely for the purposes of trading and settlement in Euro;
“Capita Registrars”	a trading name for Capita Registrars Limited;
“Closing Price”	the closing, middle market quotation of a relevant share, as published in the AIM appendix of the daily official list of the London Stock Exchange;
“Combined Code”	the UK Combined Code on Corporate Governance dated June 2006;
“Court” or “High Court”	the High Court of Justice of England and Wales;
“Court Hearing”	the hearing of the claim form to sanction the Scheme;
“Court Meeting”	the meeting of Old Obtala Shareholders convened for 10.00 a.m. on 31 August 2010 by order of the Court pursuant to sections 895 to 899 of the Act, notice of which is set out on pages 46 and 47 of this document and any adjournment of that meeting;
“CREST”	the computerised system for the paperless settlement of sales and purchases of securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
“CREST Manual”	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S1 2001 No. 3755), or the Companies (Uncertificated Securities) (Guernsey) Order 1999, as amended from time to time (as applicable);
“Deferred Share”	the share of 1 penny in the capital of Old Obtala which is to be issued as a deferred share to New Obtala following the General Meeting, such share to have the rights and liabilities attached to it as set out in the special resolution in the notice of the General Meeting;

“Directors” or “Board”	the directors of Old Obtala or the directors of New Obtala, from time to time, as the context requires, whose names are set out on page 6 of this document, including a duly constituted committee thereof;
“Disclosure and Transparency Rules”	the disclosure and transparency rules relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market or for which a request for admission to trading on such a market has been made, as published by the Financial Services Authority of the United Kingdom;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“FSA”	the United Kingdom Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000 of the United Kingdom;
“General Meeting”	the general meeting of Old Obtala convened for 10.10 a.m. on 31 August 2010, notice of which is set out on pages 48 to 53 and any adjournment of that meeting;
“Guernsey Companies Law”	the Companies (Guernsey) Law 2008 (as amended) and subordinate legislation made thereunder and every modification or re-enactment thereof for the time being in force;
“Guernsey CREST Requirements”	CREST Rule 8 and such other of the rules and requirements of Euroclear as may be applicable to issuers as from time to time specified in the CREST Manual;
“Interim Report”	the unaudited interim financial statements of the Company for the six months to 30 June 2010;
“Jointly Owned Share Scheme”	the Old Obtala Jointly Owned Share Scheme;
“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	the ordinary shares in Old Obtala of 1 penny each to be issued to New Obtala pursuant to the Scheme;
“New Obtala”	Obtala Resources Limited, a company limited by shares incorporated in Guernsey with registered number 52184;
“New Obtala Acquisition of Own Shares”	the proposed purchase by New Obtala of the New Obtala Initial Ordinary Shares as described in paragraph 3.3 of Part 1 of this document;
“New Obtala Articles”	the memorandum and articles of incorporation of New Obtala as at the date of this document;
“New Obtala Board”	the board of directors of New Obtala from time to time;
“New Obtala Directors”	the directors of New Obtala whose names appear on page 9 of the Appendix to AIM Announcement or, as the context requires, the directors of New Obtala from time to time;
“New Obtala Initial Ordinary Shares”	the two New Obtala Shares issued by New Obtala prior to the Scheme Effective Date;
“New Obtala Shares”	the ordinary shares of 1 penny each in the capital of New Obtala;
“New Obtala Shareholder”	a holder for the time being of New Obtala Shares;

“Obtala Group”	Old Obtala and its subsidiary undertakings, or following the Scheme becoming effective, New Obtala and its subsidiary undertakings, as the context may require;
“Old Obtala”	Obtala Resources plc, a public limited company incorporated in England and Wales with registered number 06458554 (to be re-registered as a private company and renamed Obtala Services Limited);
“Old Obtala Articles”	the memorandum and articles of incorporation of Old Obtala at the date of this document;
“Old Obtala Board”	the board of directors of Old Obtala;
“Old Obtala Reduction of Capital”	the reduction of capital in Old Obtala through the reduction of all/or part only of the share premium account of Old Obtala and the cancellation of the capital resulting from the capitalisation of Old Obtala’s merger reserve that is proposed to be effected following the Scheme becoming effective, as described in paragraph 3.2 of Part 1 of this document;
“Old Obtala Shares”	the ordinary shares of 1 penny each in the share capital of Old Obtala;
“Old Obtala Shareholder”	a holder for the time being of Old Obtala Shares;
“Overseas Shareholders”	Old Obtala Shareholders resident in, or citizens of, jurisdictions outside the United Kingdom;
“Proposals”	the proposals relating to the implementation of the Scheme and the New Obtala Acquisition of Own Shares;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Registrars”	Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU;
“Scheme”	the scheme of arrangement pursuant to sections 895 to 899 of the Act set out on pages 41 to 45 of this document in its present form or with or subject to any modification, addition or condition approved or imposed by the Court;
“Scheme Effective Date”	the date on which the Scheme becomes effective in accordance with its terms, expected to be 16 September 2010;
“Scheme Shares”	<ul style="list-style-type: none"> (a) all Old Obtala Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time; (b) all (if any) additional Old Obtala Shares issued after the date of the Scheme and prior to the Voting Record Time and remaining in issue at the Scheme Record Time; and (c) all (if any) further Old Obtala Shares issued at or after the Voting Record Time and before Scheme Record Time in respect of which the original or any subsequent holder shall be bound or shall have agreed in writing by such time to be bound by the Scheme and remaining in issue at the Scheme Record Time;

but excluding any Old Obtala Shares held by New Obtala;

“Scheme Ordinary Shareholder”	a holder of Scheme Shares;
“Scheme Record Date”	the Scheme Effective Date;
“Scheme Record Time”	6.00 p.m. London time on the Scheme Record Date;
“SEC”	the US Securities and Exchange Commission;
“Takeover Code”	the UK City Code on Takeovers and Mergers;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“US” or “United States”	the United States of America its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction;
“US Shareholders”	Old Obtala Shareholders with registered addresses in the United States, its territories and possessions;
“Voting Record Time”	6.00 p.m. on the day falling two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day falling two days before the date of any adjourned meeting; and
“ZAI”	ZAI Corporate Finance Limited.

