

LETTER FROM THE CHAIRMAN

BMR MINING PLC

(incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02401127)

Directors:

Alex Borrelli (*Executive Chairman*)
Jeremy Hawke (*Director, Mining and Operations*)
Antony Gardner-Hillman (*Non Executive Director*)

Registered Office:

35 Piccadilly
London
W1J 0DW

16 December 2015

To all Shareholders

Notice of Annual General Meeting

Change of Name to BMR Group PLC
Re-appoint Antony Gardner-Hillman as a Director
Receive the 2015 Report and Accounts
Appoint the Auditors
Grant of authority to Issue Ordinary Shares
Consider the Net Asset Position
Disapplication of Pre-Emption Rights

1 Introduction

- 1.1 The Report and Accounts for the year ended 30 June 2015 has been published and is available on the website www.bmrplc.com. I am writing to invite you to the 2015 Annual General Meeting of the Company (“AGM”) to be held at the offices of WH Ireland Limited, 24 Martin Lane, London EC4R 0DR on 10 February 2016 at 10.30 a.m. The notice of the Annual General Meeting is set out as an Appendix to this Letter.

2 Change of name

- 2.1 Subject to Shareholders’ approval by way of special resolution (requiring 75 per cent. approval of shareholders voting at the Annual General Meeting), it is proposed that the name of the Company be changed to BMR Group PLC.
- 2.2 The Directors are proposing a change of name to reflect the development of the Company’s business away from exploration and mining (a sector that continues to suffer negative sentiment), with the focus of the Company’s operations now on recycling, processing and environmental clean-up operations at Kabwe.
- 2.3 If the special resolution to approve the change of name of the Company is passed at the Annual General Meeting, the Company’s website address will be unchanged following the Annual General Meeting (www.bmrplc.com).
- 2.4 If the Proposals are approved, the Ordinary Shares will trade under the new name of the Company, but under the Company’s current ISIN and SEDOL, with effect from 8.00 a.m. on 11 February 2016.
- 2.5 In an effort to reduce costs, the Company is not going to issue new share certificates to Shareholders if the change of name is approved.

3 Board of the Company – Re-election of Antony Gardner-Hillman

- 3.1 Mr Antony Garner-Hillman is to retire as a director by rotation in accordance with the Company’s memorandum and articles of association at the AGM. Resolution One proposes his re-appointment as a director of the Company at the AGM. A biography of Mr Gardner-Hillman is set out below:

Antony Gardner-Hillman (Non-Executive Director, aged 59)

Antony Gardner-Hillman is a solicitor of the Senior Courts of England and Wales and has a first-class honours degree in Jurisprudence from Oxford University. He co-founded the Jersey Trust Company group in 1987 and was a director and shareholder for 21 years until he resigned as non-executive group chairman and disposed of his remaining shareholding in the group holding company in 2008. He was a partner of Crills, a Jersey law firm, from 1987 to 2002, and a Jersey resident non-executive partner of the international law firm Holman, Fenwick & Willan (Jersey partnership) from 1987 to 2003. Since 2008 he has worked full-time on a varied portfolio of directorship appointments (including with AIM listed companies).

4 Consideration of section 656 of the Companies Act 2006

- 4.1 In addition to the business outlined above, under Section 656 of the United Kingdom Companies Act 2006 (the “**Act**”) where the net assets of a public company are half or less of its called-up share capital, the directors must consider at a general meeting of the company whether any, and if so what, steps should be taken to deal with the situation. The Directors have noted that, as at 30 June 2015, the net assets of the Group were £8,058,346, which is less than half of the nominal value of its called-up share capital of £20,696,489.50 as at 30 June 2015 (including the value of Deferred Shares issued by the Company as at 30 June 2015).
- 4.2 It is the Directors’ current view that the most appropriate course of action would be to continue to maintain tight control over the running costs of the Company and to progress its plans for commercialising the tailings at Kabwe. The Directors have considered the current level of cash balances and the operational requirements of the Company in both the UK and Zambia over the next 12 months and the expected establishment of a pilot plant. The Directors believe that the current cash resources are sufficient for the Group’s current operations and for establishing the pilot plant in order to be able to commence production of zinc and lead concentrates from the wash plant and leach plant residue tailings.

5 Annual General Meeting

- 5.1 The Notice convening the Annual General Meeting at which the Resolutions will be proposed is set out in the Appendix to this Letter. A summary of the Resolutions is set out below.

Resolution 1 – Re-appointment of Director (Ordinary Resolution)

The Board recommends the re-election of Antony Gardner-Hillman, who has been appointed by the Board as a Director since the last Annual General Meeting. Mr. Gardner-Hillman, being eligible, offers himself for re-election as a director.

Resolution 2 – Receiving and Considering the Accounts (Ordinary Resolution)

This is an ordinary resolution to receive and consider the financial statements of the Company for the year ended 30 June 2015 together with the report of the Directors and the report of the auditors thereon.

Resolution 3 – Appointment of Auditor (Ordinary Resolution)

This Resolution seeks to authorise the appointment of Crowe Clark Whitehill LLP as auditors of the Company and to authorise the Directors to determine their remuneration.

Resolution 4 – Approval of change of name (Special Resolution)

The Board recommends Shareholders approve the change of the Company’s name to BMR Group PLC.

Resolution 5 – Section 656 consideration (Ordinary Resolution)

This Resolution is required by the Companies Act 2006 (the “**Act**”) given that, as at 30 June 2015, the Company’s net assets were less than half its called-up share capital. It is the Directors’ view that the most appropriate course of action would be to continue to maintain tight control over the running costs of the Company and to progress its plans for the commercialisation of the tailings at Kabwe. As such it is proposed that shareholders approve the Board’s recommendation that no further action is required.

Resolution 6 – Directors’ Authority to Allot Shares (Ordinary Resolution)

This Resolution proposes that, in substitution for any existing authority, the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities and subject to the terms the Directors may determine up to a maximum aggregate nominal amount of £3,000,000 (representing 300,000,000 Ordinary Shares of £0.01 each).

Resolution 7 – Disapplication of Pre-Emption Rights (Special Resolution)

In addition to Resolution 6 granting Directors the authority to issue Ordinary Shares, this Resolution seeks to dis-apply statutory pre-emption rights in respect of the issue of Ordinary Shares by the Company up to the aggregate nominal amount of £3,000,000.

6 Action to be taken

- 6.1 All Shareholders will be sent a Form of Proxy by post for use at the Annual General Meeting. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrar, Neville Registrars Limited, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, by not later than 10.30 a.m. on 8 February 2016.
- 6.2 The completion and return of a Form of Proxy will not preclude Shareholders from attending the Annual General Meeting and voting in person should they so wish. Shareholders wishing to attend the Annual General Meeting should bring the Attendance Card (included with the Form of Proxy) with them.

7 Recommendation

- 7.1 The Directors consider the approval of all Resolutions, including the Proposals, to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the Annual General Meeting as they intend to do so in respect of their aggregate beneficial holding of 400,000 Ordinary Shares, representing approximately 0.27 per cent. of the issued share capital of the Company as at the date of this Letter.

Yours faithfully,

Alex Borrelli
Chairman

APPENDIX

BMR MINING PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 2401127)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 Annual General Meeting of the members of the Company will be held at the offices of WH Ireland Limited, 24 Martin Lane, London EC4R 0DR at 10.30 a.m. on 10 February 2016 to consider and, if thought fit, pass the following resolutions, resolutions numbered 1 to 3 inclusive and resolutions 5 and 6 will be proposed as ordinary resolutions and resolution numbers 4 and 7 will be proposed as special resolutions:

Resolution 1: To re-elect Antony Gardner-Hillman, a Director, who has been appointed by the Board as a Director since the last annual general meeting.

Resolution 2: To receive and consider the report of the directors and the financial statements for the year ended 30 June 2015 and the report of the auditors thereon.

Resolution 3: That Crowe Clark Whitehill LLP be appointed as auditors of the Company and to authorise the Directors to determine their remuneration.

Resolution 4: That the name of the Company be changed to BMR Group PLC.

Resolution 5: That, in accordance with section 656 of the Act, given that, as at 30 June 2015, the Company's net assets were less than half of its called-up share capital, shareholders support the Directors' view that the most appropriate course of action is to continue to maintain tight control over the running costs of the Company and to wait for one or more of its investments to reach a stage at which it can be profitably realised. As such the Board does not recommend any additional action at the Annual General Meeting.

Resolution 6: That, in accordance with section 551 of the United Kingdom Companies Act 2006 ("**Act**"), in substitution for any existing authority, the Directors be generally and unconditionally authorised to allot equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £3,000,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the conclusion of the next annual general meeting of the Company save that the Company may, before such expiry, make offer(s) or enter agreement(s) which would or might require shares to be allotted or equity securities to be granted after such expiry and the Directors may allot or grant equity securities in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired.

Resolution 7: That, conditional on passing Resolution 6 above, and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash or non-cash consideration pursuant to the authority conferred in Resolution 5, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £3,000,000 and provided that this power shall expire on the earlier of conclusion of the next Annual General Meeting of the Company (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make offer(s) or agreement(s) which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offers or agreements notwithstanding that the power conferred by this resolution has expired.

By Order of the Board

Registered Office:
35 Piccadilly
London
W1J 0DW

Date: 16 December 2015

NOTES FOR SHAREHOLDERS

ENTITLEMENT TO ATTEND AND VOTE

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended by the Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009), the Company specifies that only those Shareholders registered in the Company's register of members at 6.00 p.m. on 8 February 2016 or, if the meeting is adjourned, in the register of members at 6.00 p.m. on the second day prior to the day of any adjourned meeting, shall be entitled to attend or vote at this Annual General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the register after 6.00 p.m. on 8 February 2016 or, if the meeting is adjourned, in the register of members after 6.00 p.m. on the second day prior to the day of the adjourned meeting, will be disregarded in determining the rights of any person to attend, speak or vote at the meeting or at any such adjournment.
2. **To attend the Annual General Meeting, shareholders must be on the register of members as noted above or be an authorised proxy and provide evidence of their identity. In addition, Shareholders wishing to attend should bring the Attendance Card (included with the Form of Proxy sent to Shareholders) with them to the Meeting.**

APPOINTMENT OF PROXIES

3. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you will receive a Form of Proxy following this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.
4. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete the requisite number of forms of proxy and state clearly on each form the number of shares in relation to which the proxy is appointed (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

APPOINTMENT OF PROXY USING HARD COPY FORM OF PROXY

7. The notes to the Form of Proxy explain how to direct your proxy how to vote on each resolution or withhold their vote.
8. To appoint a proxy using the Form of Proxy, the form must be:
 - completed and signed;
 - sent or delivered to the Company's registrar at Neville Registrars Limited, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
 - received by the Company's registrar no later than 10.30 a.m. on 8 February 2016.
9. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
10. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

APPOINTMENT OF PROXY BY JOINT MEMBERS

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the company's register of members in respect of the joint holding (the first-named being the most senior).

CHANGING PROXY INSTRUCTIONS

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. The new proxy should be submitted no later than 48 hours (excluding non-business days) prior to the meeting. Any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hardcopy proxy form, please contact the Company's registrar. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

TERMINATION OF PROXY APPOINTMENTS

13. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company's registrar no later than 10.30 a.m. on 8 February 2016. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

CORPORATE REPRESENTATIVES

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

ISSUED SHARES AND TOTAL VOTING RIGHTS

15. As at close of business on 15 December 2015, the Company's issued share capital comprised 150,715,452 Ordinary Shares of one pence (£0.01) each. Each Ordinary Share carries the right to one vote and therefore, the total number of shares carrying voting rights in the Company as at the close of business on 15 December 2015 is 150,715,452.