

LETTER FROM THE CHAIRMAN

BMR Group 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

28 December 2016

To all Shareholders

Notice of Annual General Meeting

Re-appoint Michael Alexander Borrelli as a Director Receive the 2016 Report and Accounts Appoint the Auditors Grant of authority to Issue Ordinary Shares Disapplication of Pre-Emption Rights

1 Introduction

- 1.1 The Report and Accounts for the year ended 30 June 2016 have been published and are available on the website www.bmrplc.com. I am writing to invite you to the ensuing Annual General Meeting of the Company ("**AGM**") to be held at the offices of WH Ireland Limited, 24 Martin Lane, London EC4R 0DR on **Tuesday 24 January 2017 at 11.00 a.m.** The notice of the Annual General Meeting is set out as an Appendix to this Letter.

2 Board of the Company – Re-election of Michael Alexander Borrelli

- 2.1 At the AGM I am to retire as a director by rotation in accordance with the Company's memorandum and articles of association. Resolution 1 proposes my re-appointment as a director of the Company. My biography is set out below:

Michael Alexander Borrelli (Executive Chairman, aged 60)

Alex Borrelli qualified as a chartered accountant with Deloitte, Haskins & Sells, London in 1982. He was subsequently active within the investment banking sector and has acted on a wide variety of corporate transactions in a senior role for over 20 years, including flotations, takeovers, mergers and acquisitions for private and quoted companies (on the Official List, AIM and PLUS, now ISDX). For a number of years, Alex has held senior roles as chairman and director of companies. He was appointed Executive Chairman of the Company in October 2014 and has since led its turnaround, building the team and generating increasing shareholder value.

3 Annual General Meeting

- 3.1 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 Michael Alexander Borrelli, who has served as a Director since the last Annual General Meeting. Mr. Michael Alexander Borrelli, 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 2016 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 – 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 5 – Disapplication of Pre-Emption Rights (Special Resolution)

In addition to Resolution 4 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**.

4 Action to be taken

- 4.1 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 11.00 a.m. on 23 January 2017.
- 4.2 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.

5 Recommendation

- 5.1 The Directors consider the approval of all Resolutions 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 **1,066,666 Ordinary Shares, representing approximately 0.58 per cent.** of the issued share capital of the Company as at the date of this Letter.

Yours faithfully

Alex Borrelli
Chairman

APPENDIX

BMR Group 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 2016 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 11.00 a.m. on 24 January 2017 to consider and, if thought fit, pass the following resolutions, resolutions numbered 1 to 4 inclusive will be proposed as ordinary resolutions and resolution number 5 will be proposed as a special resolution:

Resolution 1: To re-elect Michael Alexander Borrelli, a Director, who has served 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 2016 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, 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 5: That, conditional on passing Resolution 4 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 4, 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: 28 December 2016

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 **22 January 2017** 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 22 January 2017** 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 **11.00 a.m. on 23 January 2017**.
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 **11.00 a.m. on 23 January 2017**. 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 27 December 2016, the Company's issued share capital comprised 183,085,459 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 27 December 2016 is 183,085,459.**