



SERABI MINING PLC

**NOTICE OF ANNUAL GENERAL MEETING AND
SPECIAL MEETING OF SHAREHOLDERS**

AND

MANAGEMENT INFORMATION CIRCULAR

**Annual General Meeting and Special Meeting to be held on
June 27, 2011 at 2.00 p.m. (London time)
at 66 Lincoln's Inn Fields, London WC2A 3LH**

MAY 20, 2011

SERABI MINING PLC
(“the Company”)

**NOTICE OF ANNUAL GENERAL MEETING AND SPECIAL MEETING¹ OF
SHAREHOLDERS**

Notice is hereby given that the annual general meeting and special meeting of the Company (the “**Meeting**”) will be held at the offices of Farrer & Co LLP, 66 Lincoln’s Inn Fields, London WC2A 3LH, England on June 27, 2011 at 2.00 p.m. (London time) for the following purposes:

Ordinary business

To consider and if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. That the Directors’ Report and financial statements of the Company for the year ended December, 31 2010 be received and adopted.
2. To re-elect Mr. Clive Line as a Director of the Company. Clive Line retires by rotation in accordance with the Company’s Articles of Association and being eligible offers himself for re-election.
3. To re-elect Mr. T Sean Harvey as a Director of the Company. Sean Harvey having been appointed to the board of directors of the Company (the “**Board**”) in the period since the last Annual General Meeting is required in accordance with the Company’s Articles of Association to offer himself for re-election.
4. To re-elect Mr. Melvyn Williams as a Director of the Company. Melvyn Williams having been appointed to the Board in the period since the last Annual General Meeting is required in accordance with the Company’s Articles of Association to offer himself for re-election.
5. To re-elect Dr. Doug Jones as a Director of the Company. Doug Jones having been appointed to the Board in the period since the last Annual General Meeting is required in accordance with the Company’s Articles of Association to offer himself for re-election.
6. To re-appoint PKF (UK) LLP as auditors of the Company to hold office from the conclusion of the Meeting to the conclusion of the next Annual General Meeting at which accounts are laid before the Company and to authorise the Directors of the Company to fix the auditors’ remuneration and the terms of their engagement.

Special business

To consider and, if thought fit, pass the following resolutions, of which resolution 7 will be proposed as an ordinary resolution and resolutions 8 and 9 will be proposed as special resolutions.

7. THAT the Directors of the Company be and they are generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “**2006 Act**”) to exercise all the powers of the Company to allot shares, grant rights to subscribe for or convert any security into shares (the “**Rights**”) and deal with or dispose of any equity securities (as defined by Section 560 of the 2006 Act) of the Company up to an aggregate amount of £1,638,700 provided that this authority is for a period expiring at the conclusion of the next Annual General Meeting of the Company, except that the Company may before the expiry of the authority make an offer or agreement which would or might require the Rights to be allotted after the expiry of such period and the Directors of the Company may allot the Rights in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired and provided further that this authority shall be in substitution for all previous

¹ Certain resolutions to be proposed at the Meeting will be special resolutions requiring approval of more than 75 per cent. of the votes cast. Under Canadian National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, the Meeting therefore also constitutes a Special Meeting.

authorities conferred upon the Directors of the Company pursuant to Section 551 of the 2006 Act or under section 80 of the Companies Act 1985 (the “1985 Act”).

8. THAT subject to the passing of the previous resolution, the Directors of the Company be and they are generally empowered pursuant to Section 570(1) and 573 of the 2006 Act and in accordance with the Articles of Association of the Company, to allot equity securities (as defined in Section 560 of the 2006 Act) for cash pursuant to the authority conferred by the previous resolution up to an aggregate nominal value equal to £1,638,700 as if Section 561 of the 2006 Act did not apply to any such allotment provided that this power shall expire on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution. The Company may before the expiry of the authority make an offer or agreement which would or might require equity securities to be allotted after the expiry of such period and the Directors of the Company may allot equity securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired and provided further that this authority shall be in substitution for all previous authorisations conferred upon the Directors of the Company pursuant to Sections 570 and 573 of the 2006 Act or under section 95 of the 1985 Act.
9. THAT the name of the Company be changed to “Serabi Gold plc” with effect from a date to be determined by the Directors of the Company.

DATED at London, England as of the 20th day of May, 2011.

By order of the Board

(Signed) “Clive Line”

Clive Line
Company Secretary

Notes:

1. A management information circular, form of proxy and the financial statements for the year ended December 31, 2010 accompany this Notice of Meeting. Your vote is important to us. If you are a registered holder of Ordinary Shares and are unable to be present at the Meeting, please specify on the accompanying form of proxy the manner in which the Ordinary Shares represented thereby are to be voted, and sign, date and return same in accordance with the instructions set out in the form of proxy and management information circular.
2. If you are a beneficial shareholder of Ordinary Shares in Canada and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions, set out in the management information circular and provided to you by your broker or intermediary.

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SERABI MINING PLC

MANAGEMENT INFORMATION CIRCULAR

Unless otherwise stated, the information herein is as of May 20, 2011.

PROXY INSTRUCTIONS

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the Board of Serabi Mining plc (the “Company”) for use at the annual general meeting and special meeting of Ordinary Shareholders of the Company (the “Meeting”) to be held at 66 Lincoln’s Inn Fields, London WC2A 3LH, England on June 27, 2011 at 2.00 p.m. (London time) and at any adjournment or adjournments thereof, for the purposes set out in the foregoing Notice of Meeting (the “Notice”).

Certain resolutions to be proposed at the meeting will be special resolutions requiring approval of more than 75 per cent. of the votes cast. Under Canadian National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, the meeting therefore also constitutes a Special Meeting.

Holders (“Shareholders”) of ordinary shares in the Company (the “**Ordinary Shares**”) may vote on all matters to come before the Meeting. The holders of Deferred Shares in the Company do not have the right to attend or to vote at the Meeting.

The form of proxy forwarded to holders of Ordinary Shares affords each Shareholder the opportunity to specify the manner in which the proxy nominees are to vote with respect to any specific item by checking the appropriate space on the form of proxy in order to indicate whether the Ordinary Shares registered in the Shareholder’s name shall be: (i) voted for, voted against or withheld from voting for the election of the directors named in this Circular; (ii) voted for, voted against or withheld from voting for the re-appointment of auditors and authorizing the directors to fix their remuneration and terms of engagement; (iii) voted for, voted against or withheld from voting for the disapplication of pre-emption rights and the authorisation of the Board to issue new shares; and (iv) voted for, voted against or withheld from voting for the change of name of the Company to “Serabi Gold plc”.

The proxy must be signed by the holder of Ordinary Shares or each such Shareholder’s attorney duly authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees or in any other representative capacity should so indicate and give their full title as such. A partnership should sign in the partnership’s name and by an authorized person(s).

A Shareholder may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by that Shareholder. You may not appoint more than one proxy to exercise rights attached to one share. Should you wish to appoint more than one proxy please contact the relevant registrar and transfer agent. Please see the form of proxy which has more information in relation to the manner in which a proxy may be appointed.

Unless otherwise indicated any proxy will be granted in favour of the Chairman of the Meeting who will be an officer of the Company. **Each Shareholder has the right to appoint a person other than the persons named in the accompanying form of proxy, who need not be a shareholder, to attend and act for him and on his behalf at the Meeting.** A Shareholder wishing to appoint some other person as a representative at the Meeting may do so either by inserting such person’s name in the blank space provided in the form of proxy and delivering the completed form of proxy to the Company’s relevant registrar and transfer agent.

The registrar and transfer agent in Canada for the Ordinary Shares is Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, Canada.

The registrar and transfer agent in the United Kingdom for the Ordinary Shares is Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road Bristol BS99 7NH, England.

A form of proxy is enclosed. To be effective, the form of proxy and the original authority (if any) under which it is made must be deposited at the appropriate office (Canada or UK) of the Company's registrars and transfer agents and not at the offices of the Company so as to be received not later than 48 hours before the time appointed for holding the Meeting. An appointment of a proxy which is not received in accordance with these requirements may be invalid.

A proxy given by a Shareholder for use at the Meeting may be revoked at any time prior to its use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized in writing, and deposited either at the registered office of the Company or at the Company's registrar and transfer agents at least one hour before the commencement of the Meeting (or any adjournment thereof) or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. The registered office of the Company is located at 66 Lincoln's Inn Fields, London WC2A 3LH, England.

Completion of the proxy does not preclude a Shareholder from subsequently attending and voting at the Meeting in person if he or she so wishes. In this circumstance, the proxy appointment will be automatically terminated.

If you are a person who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights ("a Nominated Person") you may, under an agreement between you and the member by whom you were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If you, as a Nominated Person have no such proxy appointment right or do not wish to exercise it, you may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. The rights of Shareholders in relation to the appointment of proxies does not apply to Nominated Persons. These rights can only be exercised by Shareholders of the Company.

The register of interests of the directors and their families in the share capital of the Company and copies of contracts of services of directors with the Company or with any of its subsidiary undertakings will be available for inspection at the registered office of the Company during normal business hours (Saturdays, Sundays and public holidays excepted) from the date of this Circular until the conclusion of the Meeting.

In accordance with the Articles of Association of the Company and Regulation 41 of the Uncertificated *Securities Regulations 2001*, only those Shareholders entered on the Company's register of shareholders 48 hours before the start of the Meeting, or, if the meeting is adjourned, Shareholders entered on the Company's register of Shareholders 48 hours before the time fixed for the adjourned Meeting shall be entitled to attend and vote at the Meeting.

Beneficial holders in Canada will receive a Voting Instruction Form ("VIF") which will be issued by Broadridge Financial Solutions Inc. ("Broadridge"). VIFs should be returned directly to Broadridge in accordance with the instructions set out on the VIF.

MANNER IN WHICH PROXIES WILL BE VOTED

The Chairman of the Meeting will vote or withhold from voting the Ordinary Shares in respect of which he/she is appointed by proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the form of proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Ordinary Shares will be voted accordingly.

In the absence of such direction, such Ordinary Shares will be voted by the Chairman of the Meeting in favour of the passing of the matters set out in the Notice. The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice, and with respect to other matters which may properly come before the Meeting or any adjournment thereof. At the date hereof, the Directors know of no such amendments, variations or other matters. **However, if any other matters should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the proxy.**

VOTING BY BENEFICIAL SHAREHOLDERS

The information in this section is of significant importance to Shareholders who do not hold their Ordinary Shares in their own name and whose holdings are retained on the Company's Canadian share register. Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders are "non-registered" Shareholders if the Ordinary Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, trust company or other nominee through which they purchased the Ordinary Shares.

More particularly, a person is not a registered Shareholder in respect of Ordinary Shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Ordinary Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In respect of Shareholders whose Ordinary Shares are held on the Company's Canadian share register, Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners ("**OBOs**").

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has commissioned Broadridge (acting as its agent) to send copies of the Notice, this Circular and the form of proxy (collectively, the "**Meeting Materials**") directly to the NOBOs, and indirectly through clearing agencies and Intermediaries to the OBOs.

Distribution to NOBOs

These Meeting Materials are being sent to both registered and non-registered shareholders of the Company's Ordinary Shares. If you are a non-registered Shareholder, and the Company's agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By sending these Meeting Materials to you directly, the Company's agent (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these Meeting Materials to you, and (ii) executing your proper voting instructions. **Please return your voting instructions as specified in the request for voting instructions in the VIF enclosed with the Meeting Materials sent to NOBOs.**

Distribution to OBOs

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to the OBOs. Generally, OBOs who have not waived the right to receive Meeting Materials will either:

- (a) be given a VIF **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Ordinary Shares beneficially owned by the OBO but which is otherwise not completed and must be deposited with the Company's agent, Broadridge, in accordance with the instructions set out in the VIF. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the OBO when submitting the proxy. In this case, the OBO who wishes to submit a proxy should otherwise properly complete the form of proxy and deliver it to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, Canada; or

- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the OBO and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Ordinary Shares which they beneficially own. **Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the officers of the Company and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has an authorised capital of UK£30,000,000 comprised of 333,735,776 Ordinary Shares of 5 pence each and 140,139,065 Deferred Shares of 9.5 pence each, of which 63,968,529 Ordinary Shares and 140,139,065 Deferred Shares were issued and outstanding as at the close of business on May 20, 2011 (the “**Record Date**”).

Each Ordinary Share carries one vote in respect of each matter to be voted upon at the Meeting. Only holders of Ordinary Shares on record at the close of business on the Record Date will receive notice of the Meeting. Two members present in person or by proxy and entitled to vote shall represent a quorum for the Meeting.

As of the date of this Circular, the only persons or companies known by the Company to own beneficially, directly or indirectly, or control or direct, more than 10 percent of the Ordinary Shares are as follows (based on information filed on the System for Electronic Disclosure by Insiders (“**SEDI**”) at www.sedi.ca):

<i>Name</i>	<i>Number of Ordinary Shares Beneficially Owned or Controlled or Directed</i>	<i>Type of Ownership</i>	<i>Percentage of Outstanding Ordinary Shares</i>
Eldorado Gold Corporation	16,840,000	Direct	26.3%
Christopher David Kingsman	10,000,000 ⁽¹⁾	Indirect	15.6%

Notes:

- (1) According to reports filed on SEDI, all of the Ordinary Shares owned by Mr. Kingsman are held by Greenwood Investments Ltd.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements

The audited financial statements of the Company for the year ended December 31, 2010, together with the report of the auditors thereon will be presented to the Shareholders at the Meeting for their review and approval.

2. Election of Directors

The Board is currently comprised of six directors. Of these six directors Mr. Line and Mr. Roberts are required to retire by rotation. Mr. Line will be submitting himself for re-election while Mr. Roberts will not offer himself for re-election at the Meeting. Mr. Harvey, Mr. Williams and Dr. Jones, having been appointed to the Board since the last annual general meeting of the Company, are required to submit themselves for appointment by the Shareholders. Mr. Hodgson, having been re-elected as a director of the Company at the 2010 annual general meeting, is not required to submit himself for re-election to the Board at the Meeting. The Board has put forward the names of the four current directors listed below. In accordance with the Articles of Association of the Company one third of the directors are required by rotation to offer themselves for re-election at each annual general meeting. The maximum term that each director may serve prior to offering themselves for re-election by the Shareholders is therefore three years unless he resigns, is removed

or becomes disqualified in accordance with the Company's memorandum and articles of association or governing legislation. If all of the proposed nominees for election are elected at the Meeting, the directors of the Company will be comprised of the following five individuals: Mr. Hodgson, Mr. Line, Mr. Harvey, Mr. Williams and Dr. Jones.

The Chairman of the Meeting intends to vote for the election of each of the below-named nominees unless otherwise instructed on a properly executed and validly deposited proxy. The officers of the Company do not contemplate that any nominees named below will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

The following table sets out the name of each person proposed to be nominated by the officers of the Company for election as a director at the Meeting, all offices of the Company now held by such person, their principal occupation for the past five years, the period of time for which they have been a director of the Company and the number of Ordinary Shares of the Company beneficially owned, controlled or directed, directly or indirectly, by each them.

<i>Name, Province and Country of Residence</i>	<i>Position with the Company</i>	<i>Principal Occupation (for the past five years)</i>	<i>Service as Director</i>	<i>Ordinary Shares controlled or directed, directly or indirectly⁽⁴⁾⁽⁵⁾</i>
CLIVE M LINE ACA SURREY, UK	Chief Financial Officer, Secretary and Director	Chief Financial Officer and Director of the Company	March 2005 to present	466,653
T. SEAN HARVEY ⁽¹⁾⁽²⁾⁽³⁾ ONTARIO, CANADA	Director	Businessman in mineral exploration and development	March 2011 to present	200,000
MELVYN WILLIAMS ⁽¹⁾⁽²⁾⁽³⁾ COLORADO, USA	Director	Chief Financial Officer, Brigus Gold Corp. (a Canadian based mining company)	March 2011 to present	45,000
DOUGLAS JONES ⁽¹⁾⁽²⁾⁽³⁾ PERTH, WESTERN AUSTRALIA	Director	Managing Director, Chalice Gold Mines Limited (a mining exploration and development company)	March 2011 to present	100,000

Notes:

- (1) Member of the audit committee of the Board (the "**Audit Committee**").
- (2) Member of the remuneration committee of the Board (the "**Remuneration Committee**").
- (3) Independent director of the Company.
- (4) The information as the Ordinary Share beneficially owned, not being within the knowledge of the Company, has been obtained from SEDI or furnished by the proposed directors individually.
- (5) Michael Hodgson, a director of the Company who is not required under the Company's Articles of Association to submit himself for re-election at the Meeting, holds 441,320 Ordinary Shares.

IF ANY OF THE ABOVE NOMINEES IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR OF THE COMPANY, PROXY INSTRUMENTS IN FAVOUR OF THE OFFICERS OF THE COMPANY WILL BE VOTED FOR BY ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY INSTRUMENT THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.

Shareholders can vote or withhold from voting on the election of each director on an individual basis. The Board has adopted a policy which requires voting with respect to the election of directors at any meeting of Shareholders to be by individual nominee as opposed to by slate of directors, i.e. Shareholders will be asked to vote in favour of, or withhold from voting, separately for each director. If any particular director is not re-elected at the Meeting, that director shall forthwith cease to be a director. The Board may appoint a new director to fill the vacancy.

Clive M. Line – Chief Financial Officer, Secretary and Director

Clive is a Chartered Accountant and has been involved in mining and natural resources companies since 1987, overseeing financial and legal issues for exploration and development projects in Africa, Europe and the former Soviet Union. Having worked with Price Waterhouse in both the UK and Australia, he joined Cluff Resources plc in 1987, where he was finance director prior to joining the privately owned Quest Petroleum Group in a similar position in 1993. Following the sale of this group, he became involved with both Eurasia Mining plc and Northern Petroleum plc, both of which were admitted to the Alternative Investment Market of the London Stock Exchange (“AIM”) in 1996. He has also worked within one of the world’s largest marketing services groups operating as a divisional finance director.

Clive has an Honours degree in Accounting and Finance and is a member of the Institute of Chartered Accountants of England and Wales.

T. Sean Harvey – Chairman and Non-executive Director

Sean has over 10 years investment banking and merchant banking experience, primarily focused on the basic industry (mining) sector and for the last 10 years has held senior executive and board positions with various mining companies. Mr. Harvey was President and Chief Executive Officer of Orvana Minerals Corp. from 2005 to 2006. Previously, he was President and Chief Executive Officer of TVX Gold at the time of its sale to Kinross Gold in 2003 and, subsequent to that, was President and Chief Executive Officer of Atlantico Gold, a private company involved in the development of the Amapari Project in Brazil, that was sold to Wheaton River Minerals Ltd. (presently Goldcorp Inc.). Mr. Harvey also currently sits on the board of directors of several other mining companies.

Sean has an Honours B.A. in economics and geography and an M.A. in economics, both from Carleton University. He also has an LL.B. from The University of Western Ontario and an MBA from the University of Toronto. He is a member of the Law Society of Upper Canada.

Melvyn Williams – Non-executive Director

Mel is currently the Chief Financial Officer and Senior Vice President of Finance and Corporate Development of Brigus Gold Corp. Mr. Williams has over 30 years of financial experience, much of that time spent within the mining industry. From November 2003 through January 2004, Mr. Williams served as Chief Financial Officer of Atlantico Gold, a private Brazilian mining company which held the Amapari gold project, and was sold to Wheaton River Minerals Ltd. in January 2004. From 2000 to November 2003, he served as Chief Financial Officer of TVX Gold Inc., a gold mining company with five operating mines and an advanced development project in Greece. His background also includes services with Star Mining Corporation, LAC North America, Riominas LSDA and Rossing Uranium (the latter two of which are Rio Tinto subsidiaries).

Mel is a Chartered Certified Accountant and received an MBA from Cranfield in the United Kingdom. He is also a director of Andina Minerals Inc. and Nickel Mountain Resources AB.

Douglas Jones – Non-executive Director

Doug is a geologist with 34 years experience in international mineral exploration, having worked extensively in Australia, the Americas and Europe. His career has covered exploration for gold in a wide range of geological settings, volcanic and sediment-hosted zinc-copper-lead and IOCG style copper-gold deposits. As Vice President, Exploration for Golden Star Resources Limited from 2003 to 2007, he had oversight of that company's exploration activities in Brazil and has reviewed opportunities in the Tapajos region of Brazil. He is currently the Managing Director of Chalice Gold Mines Limited a gold exploration company listed on the Australian Stock Exchange ("ASX") and the TSX and is also a non-executive director of ASX-listed Liontown Resources Limited and Toronto Stock Exchange ("TSX") and AIM-listed Minera IRL Limited.

Doug has a BSc in Geology from the University of New England and received his Doctorate from the same university in 1987.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no proposed director is, or within the ten years prior to the date hereof has been, a director, Chief Executive Officer or Chief Financial Officer of any company (including the Company) that was the subject of a cease trade order or similar order or an order that denied the company access to any statutory exemptions that was in effect for a period of more than 30 consecutive days that was issued while that person was acting in such capacity or issued thereafter but resulted from an event that occurred while that person was acting in such capacity. To the knowledge of the Company, no proposed director is, or within the ten years prior to the date hereof, has been a director or executive officer of any company (including the Company) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions and Personal Bankruptcies

To the knowledge of the Company, no proposed director has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

To the knowledge of the Company, no proposed director has, during the ten years prior to the date hereof, been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

3. Appointment of Auditors

The Board proposes the re-appointment of PKF (UK) LLP, 20 Farringdon Road, London EC1M 3AP England, as auditors of the Company and to authorize the directors to fix the auditors' remuneration and terms of engagement. **In the absence of a contrary specification made in the form of proxy, the Chairman of the Meeting intends to vote for the appointment of PKF (UK) LLP, as auditors of the Company and to authorize the Board to fix their remuneration and terms of engagement.**

4. Special Business

As is usual at an Annual General Meeting, the Board requests that Shareholders make available to and at the discretion of the Board, a fixed maximum amount of the unissued share capital which will permit the Board the flexibility to use the Company's shares for certain purposes or business transactions, including acquisitions, the raising of additional capital and the issue of share options or other share related incentives, without the requirement to call a separate meeting of Shareholders for the purpose of approving such transactions.

Resolution 7 – authority to allot shares

Under the Companies Act 2006, the Board may only allot unissued shares if authorised to do so by the Shareholders in general meeting. Resolution 7 renews the Board’s existing authority granted at the Annual General Meeting held June, 29 2010 and authorises the Directors to allot shares up to an aggregate value of £1,638,700. The authority will expire at the next Annual General Meeting of the Company. **In the absence of a contrary specification made in the form of proxy, the Chairman of the Meeting intends to vote for the authorisation and empowerment of the Directors to allot equity securities.**

The full text of the proposed resolution is:

“THAT the Directors of the Company be and they are generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “2006 Act”) to exercise all the powers of the Company to allot shares, grant rights to subscribe for or convert any security into shares (the “Rights”) and deal with or dispose of any equity securities (as defined by Section 560 of the 2006 Act) of the Company up to an aggregate amount of £1,638,700 provided that this authority is for a period expiring at the conclusion of the next Annual General Meeting of the Company, except that the Company may before the expiry of the authority make an offer or agreement which would or might require the Rights to be allotted after the expiry of such period and the Directors of the Company may allot the Rights in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired and provided further that this authority shall be in substitution for all previous authorities conferred upon the Directors of the Company pursuant to Section 551 of the 2006 Act or under section 80 of the Companies Act 1985 (the “1985 Act”).”

Resolution 8 – authority to allot shares for cash

The Directors may only allot shares for cash on a non-pre-emptive basis to existing shareholders in the Company if authorised to do so by the Shareholders in general meeting. This resolution renews the authority granted to the Directors at the Annual General Meeting held on June, 29 2010 to allot shares for cash and dis-applies the pre-emption rights of shareholders in respect of a number of shares equivalent to an aggregate value of £1,638,700. **In the absence of a contrary specification made in the form of proxy, the Chairman of the Meeting intends to vote for the authorisation and empowerment of the Directors to allot equity securities for cash.**

The full text of the proposed resolution is:

“THAT subject to the passing of the previous resolution, the Directors of the Company be and they are generally empowered pursuant to Section 570(1) and 573 of the 2006 Act and in accordance with the Articles of Association of the Company, to allot equity securities (as defined in Section 560 of the 2006 Act) for cash pursuant to the authority conferred by the previous resolution up to an aggregate nominal value equal to £1,638,700 as if Section 561 of the 2006 Act did not apply to any such allotment provided that this power shall expire on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution. The Company may before the expiry of the authority make an offer or agreement which would or might require equity securities to be allotted after the expiry of such period and the Directors of the Company may allot equity securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired and provided further that this authority shall be in substitution for all previous authorisations conferred upon the Directors of the Company pursuant to Sections 570 and 573 of the 2006 Act or under section 95 of the 1985 Act.”

Resolution 9 – Change of name

The Board feels that the Company’s name does not properly reflect its current activities and focus. It therefore proposes that the name be changed to “Serabi Gold plc”, which it feels more properly reflects the Company’s ambitions and focus as an explorer and future developer of gold deposits.

The process of the name change requires amongst other things the establishment of new electronic communications channels (website, e-mail etc), the investment in which will only be made once

Shareholders have approved the change. For this reasons the proposed resolution provides the Board with the flexibility to fix the date when the name change becomes effective. **In the absence of a contrary specification made in the form of proxy, the Chairman of the Meeting intends to vote for the change of name.**

The full text of the proposed resolution is:

“THAT the name of the Company be changed to “Serabi Gold plc” with effect from a date to be determined by the Directors of the Company.”

5. Other Business

While the Board is not aware of any other matter to be acted upon at the Meeting other than as set out in the Notice, if any other matter properly comes before the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal in accordance with the discretion of the persons authorized to act thereunder.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

No individual who is or, at any time since the beginning of the most recently completed financial year, was a director, senior officer or employee of the Company, and no person who is a proposed nominee for election as a director of the Company, and no associate of any such director, senior officer, employee or proposed nominee is or, at any time since the beginning of the last completed financial year, was indebted to the Company.

CORPORATE GOVERNANCE

Board of Directors

The Board is currently comprised of six directors, of whom three are independent directors. The following persons represent the independent directors: Messrs. Harvey (Chairman), Jones and Williams. The following are not independent by virtue of their offices with Company: Mr. Hodgson, who is the Chief Executive Officer of the Company and Mr. Line, who is the Chief Financial Officer of the Company. Mr. Roberts is not independent by virtue of having held the position of Executive Chairman within the last three years. Assuming that the nominees proposed by the Board are elected as directors of the Company at the Meeting, the Board will be comprised of five directors, of whom three are independent (Messrs. Harvey (Chairman), Jones and Williams) and two are not independent directors (Messrs Hodgson and Line).

The Board is responsible for the stewardship of the Company through consultation with management of the Company. Any responsibility that is not delegated to management or to the committees of the Board remains with the Board, subject to the powers of the shareholders’ meetings. The frequency of Board meetings, as well as the nature of agenda items, varies depending on the state of the Company’s affairs and in light of opportunities or risks which the Company faces. Members of the Board are in frequent contact with one another and meetings of the Board are held as deemed necessary.

Certain of the directors are also directors of other reporting issuers as set forth below:

<i>Director</i>	<i>Other Reporting Issuer(s)</i>
T. Sean Harvey	Allied Gold Limited Perseus Mining Limited Andina Minerals Inc. Victoria Gold Corp.
Melvyn Williams	Andina Minerals Inc. Nickel Mountain Resources AB
Doug Jones	Chalice Gold Mines Limited Liontown Resources Limited Mineral IRL Limited

Board Mandate

The Board has adopted a written mandate that acknowledges its responsibility for the stewardship of the business and affairs of the Company. The Board shall review and assess the adequacy of the Board mandate at least annually or otherwise, as it deems appropriate, and make any necessary changes. A copy of this mandate is attached to this Circular as Schedule "A".

Position Descriptions

The Board elected three new independent directors following the completion of the Company's listing on the TSX on 30 March 2011. The Board is currently relying on past position descriptions for the Chairman of the Board, the Chair of each committee of the Board and the Chief Executive Officer of the Company. The Board is reviewing these descriptions in light of the current circumstances of the Company and is in the process of setting goals and objectives for the Chief Executive Officer for the remainder of the year.

The Board delegates authority for the preparation of position descriptions to the Remuneration Committee who in setting the terms of reference, will consider the current plans and circumstances of the Company, the norms that are established in the industry for those positions and the specific strengths and weaknesses of the individual. At the conclusion of each Board meeting and through discussion amongst the Board and with the individual concerned, the Board will, where appropriate, set specific short-term duties and objectives to be undertaken prior to the next Board meeting as well as make any amendments to longer term duties and objectives.

Orientation and Continuing Education

The Board is responsible for: (a) ensuring that all new directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that the Company expects from its directors) and that they understand the nature and operation of the Company's business; and (b) providing continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Company's business remains current. Given the size of the Company and the in-depth experience of its directors, the Company has not deemed it necessary to develop a formal process of orientation for new directors. However, the directors conduct a discussion of the business of the Company at its meetings to ensure that new directors are provided with an overview of the Company's operations. From time to time, corporate officers and legal, financial and other experts are invited to attend Board meetings to describe matters in their areas of expertise. The Board ensures that any new Board member receives a written memorandum (the "Memorandum") prepared by the Company's lawyers setting out their responsibilities as a director and ensures that each director is conversant with the regulations relating to any stock exchange on which the Company's shares are traded.

Directors are entitled to attend seminars that they determine necessary to keep themselves up-to-date with current issues relevant to their services as directors of the Company.

Ethical Business Conduct

All new directors are provided with a copy of the Memorandum setting out their responsibilities and duties, including matters relating to behaviour and business ethics. The Board relies on its executive directors to oversee the implementation of ethical business practices on a day-to-day basis and considers that given the size of the Company and the relatively small number of employees, that the executive directors are well placed to ensure that all staff act in a professional and ethical manner.

The Memorandum provides guidance to all directors in the event of a conflict of interest. In accordance with AIM rules, the Company's nominated adviser is required to provide a formal opinion on any transactions where a director or related party has an interest. Directors are required to disclose their interests to other Board members and are not permitted to participate or vote on any matter in which a director has an interest. A copy of the Memorandum may be obtained by any person or company, upon request, to the attention of the Company Secretary at 30-32 Ludgate Hill, London EC4M 7DR.

In fulfilling its mandate and approving various decisions put forth by management, the Board ensures that the measures management take comply with Canadian securities regulations and other applicable legislation. Members of the Board are also keenly aware of their fiduciary role with the Company as well as their individual fiduciary duties in their role as directors. In exercising their powers and discharging their duties, the Board is required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Nomination of Directors

The Company does not currently have a nomination committee. The Board as a whole is responsible for identifying and recommending candidates for the Board of the Company. The Board reviews and makes determination with respect to (i) the size and composition of the Board (ii) the organization and responsibilities of the appropriate committees of the Board; (iii) the evaluation process for the Board and committees of the Board and the Chairpersons of the Board and such committees; and (iv) creating a desirable balance of expertise and qualifications among Board members. In the nomination process, the Board assesses its current composition and requirements going forward in light of the stage of the Company and the skills required to ensure proper oversight of the Company and its operations.

Remuneration Committee

The Remuneration Committee comprises Messrs. Williams (Chair), Jones and Harvey. Each member is an independent director. The Remuneration Committee is responsible for determining the compensation of the management and executive, including that of the Chief Executive Officer. The Remuneration Committee determines the level of compensation the Chief Executive Officer is to receive on an annual basis and relies on the Company's economic performance and the responsibilities and risks involved in being an effective Chief Executive Officer of an exploration and development resource company. The Remuneration Committee considers the Chief Executive Officer's current compensation to adequately cover such responsibilities and risks.

Audit Committee

Information regarding the Audit Committee is disclosed in the Company's annual information form for the year ended 31 December 2010, (the "AIF") which is incorporated by reference into and forms an integral part of this Circular. The AIF is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. Upon request, the Company will provide a copy of the AIF free of charge to any securityholder of the Company.

Assessments

The Board is responsible for assessing the effectiveness and contributions of the Board as a whole, its committees and individual directors. Periodically at the meetings of the Board, the Board undertakes this assessment although, no formal report in this regard has been prepared to date.

DIRECTOR ATTENDANCE AND COMPENSATION

Director Attendance

During 2010, the Board held seven Board meetings. Attendance by each of the Directors at these meetings is as set out in the table below.

<i>Director</i>	<i>Audit Committee</i>	
	<i>Board Meetings</i> <i>(Attended/Held)</i>	<i>Meetings</i> <i>(Attended/Held)</i>
Graham Roberts	6/7	2/2
Michael Hodgson	6/7	–/–
Clive Line	7/7	2/2*
Bill Clough	2/7	1/2

*by invitation

EXECUTIVE COMPENSATION

During the most recently completed financial year ended December 31, 2010, the following individuals were the Named Executive Officers of the Company:

- Michael Hodgson was President and Chief Executive Officer; and
- Clive Line was Chief Financial Officer.

Named Executive Officer means each of the following individuals: (a) a Chief Executive Officer; (b) a Chief Financial Officer; (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose compensation was, individually, more than \$150,000 for that financial year; and (d) each individual who would have been a Named Executive Officer under (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The Company aims to ensure that each individual's remuneration package is reasonable for the sector in which the Company operates and appropriate to attract, motivate and retain executives of a calibre necessary to ensure achievement of the Company's objectives and enhancement of shareholder value.

The Board is responsible for determining the total remuneration package for each executive officer and reviewing this on an annual basis.

The Board will propose remuneration packages for each executive officer which will comprise some or all of the following elements:

- (i) basic annual salary;
- (ii) health cover and life assurance;
- (iii) pension contribution; and
- (iv) bonus schemes comprising a combination of cash, shares, deferred shares and share options.

Basic salaries are reviewed annually. The Board takes into consideration the remuneration paid by comparable companies in terms of asset size, market capitalisation and complexity of the Company's operations when considering appropriate salary levels.

Any reward of bonuses and share options is linked to the overall performance of the Company and the individual concerned. The Board reserves the right to determine at the beginning of specific periods, specific performance targets or goals for each individual and will assess at the end of the period the relative

performance. However the Company at this time has no formal performance criteria or specific peer group that it utilises for the purposes of bench-marking.

The Company has no formal policy on the level of cash bonuses that might be paid, however as the Company has no current operational cash flow, it will endeavour to restrict cash bonuses and instead seek to reward performance through the award of options or where permitted, shares, which the Company considers can improve staff retention and will more closely align the reward of the individual to the interests of stakeholders.

The Company grants stock options to its directors and officers and these are intended to provide an incentive to work towards long term corporate performance. In determining the number of options to be granted to any individuals the Board will take into account an individual's existing remuneration arrangements as well as the number of options, if any, granted to each individual and the exercise price of such options, to ensure that awards are in accordance with the policies of any stock exchange on which the Ordinary Shares are listed and closely align the interests of the individuals with the interests of shareholders. The Board considers that if the Company is successful in achieving or exceeding its goals, that the value of option awards can represent a significant element of an individual's overall remuneration.

To aid staff retention options vest over a period of two years from the date of grant and the Board would hope to be able to make regular awards to further incentivise option-holders to maintain their employment with the Company.

Option-based Awards

Option-based awards are issued pursuant to the 2011 Option Plan. The 2011 Option Plan is intended to aid in attracting, retaining and motivating the Company's key directors, officers, employees and service providers. The Board, through the recommendation of the Remuneration Committee, administers the 2011 Option Plan and determines, among other things, optionees, vesting periods, exercise price and other attributes of the options, in each case pursuant to the 2011 Option Plan, applicable securities legislation and the rules of the TSX and AIM. The Chair of the Remuneration Committee also has the authority to award routine option grants in reasonable amounts to new employees, subject to confirmation by the Board. The Remuneration Committee and the Board also consider previous grants of options and the overall number of options that are outstanding relative to the number of Ordinary Shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the officer or director in determining the level of incentive stock option compensation. See "*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plans*".

Incentive Plan Awards – Outstanding share-based awards and option-based awards

The following table sets forth, for each Named Executive Officer, all awards outstanding as at December 31, 2010 under option-based and share-based incentive plans of the Company.

Name	Option Based Award			Share Based Award		
	Number of Securities Underlying Unexercised Options	Option Exercise Price (£)	Option Expiration Date	Value of Unexercised in-the-money options (US\$) ⁽¹⁾	Number of Shares or Units of Shares that have not vested	Market or Payout Value of Share-Based Awards that have not vested (US\$)
MICHAEL HODGSON Chief Executive Officer and Director	500,000 600,000	0.15 0.41	Dec. 19, 2019 Jan. 28, 2021	193,078 –	– –	– –
CLIVE LINE Chief Financial Officer and Director	500,000 600,000	0.15 0.41	Dec. 19, 2019 Jan. 28, 2021	193,078 –	– –	– –

(1) Based on the closing price of Ordinary Shares on AIM on 31 December 31, 2010 of £0.3996 per Ordinary Share and US\$ to £ exchange rate of 1.5471.

In each case, two-thirds of the options granted have vested to the individual and the remaining options will vest on December 20, 2011, being the second anniversary of the date of grant. Should the individual leave the employment of the Company prior to that date it is at the discretion of the Board and dependent on the circumstances of the departure to permit the remaining options to vest as if the individual had not left the employment of the Company. Further, should any individual leave the employment of the Company it is at the discretion of the Board to permit the individual to retain any options that have already vested and the Board may as its discretion require that the period for the exercise of the options be reduced as they deem appropriate.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each Named Executive Officer, the value of all incentive plan awards issued during the financial year ended December 31, 2010.

<i>Name</i>	<i>Option-Based Awards – Value Vested During the Year (US\$)</i>	<i>Share-Based Awards – Value Vested During the Year (US\$)</i>	<i>Non-Equity Incentive Plan Compensation – Value Earned During the Year (US\$)</i>
MICHAEL HODGSON Chief Executive Officer and Director	31,355	–	–
CLIVE LINE Chief Financial Officer and Director	31,355	–	–

TERMINATION AND CHANGE OF CONTROL BENEFITS

Michael J Hodgson

The Company may terminate the employment contract with Mr. Hodgson by giving him no less than twelve months notice in writing. During the notice period time he shall be entitled to continue to receive his annual base salary, accrue entitlements to bonuses and receive other fringe benefits. However during all or part of his notice period the Company may not require Mr. Hodgson to attend his normal place of work or to perform normal duties. Mr. Hodgson's service contract with the Company contains no special provisions and grants no additional entitlements, beyond those set out above, or in the event of a change of control. If Mr. Hodgson's employment with the Company was terminated for any such reason as at December 31, 2010, Mr. Hodgson would have received approximately US\$194,000 in total compensation (excluding benefits).

Clive M Line

The Company may terminate the employment contract with Mr. Line by giving him no less than twelve months notice in writing. During the notice period time he shall be entitled to continue to receive his annual base salary, accrue entitlements to bonuses and receive other fringe benefits. However during all or part of his notice period the Company may not require Mr. Line to attend his normal place of work or to perform normal duties. Mr. Line's service contract with the Company contains no special provisions and grants no additional entitlements, beyond those set out above, or in the event of a change of control. If Mr. Line's employment with the Company was terminated for any such reason as at December 31, 2010, Mr. Line would have received approximately US\$186,000 in total compensation (excluding benefits).

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out information as at December 31, 2010 with respect to option plans operated by the Company up to that date. No new options are being issued under these plans. The Company's 2011 Option Plan (as hereinafter defined) adopted on January 28, 2011, is the only compensation plan under

which equity securities of the Company are currently authorized for issuance to employees or non-employees such as directors and consultants.

<i>Plan Category</i>	<i>Number of Securities to be issued upon the exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i>	<i>Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
Equity compensation plans approved by security holders ⁽¹⁾	32,500	UK £2.92	Nil
Equity compensation plans not approved by security holders ⁽²⁾	2,453,285	UK £0.62	2,577,405
Total	2,485,785	UK £0.65	2,577,405

Notes:

- (1) Issued under the 2005 Option Plan (as hereinafter defined).
- (2) Issued under the 2009 Option Awards (as hereinafter defined) and the Pre IPO Option Awards (as hereinafter defined).

On January, 25 2011 the Company issued 1,905,000 options (representing 2.98 per cent. of the Ordinary Shares in issue at the date of this Circular) under the 2011 Option Plan (as hereinafter defined).

As of the date of this Circular a total of 4,390,785 options are in issue representing 6.9 per cent. of the Ordinary Shares in issue.

Stock Option Plans

The 2011 Option Plan

On January 28, 2011, the Company adopted the Serabi Mining 2011 Share Option Plan (the “**2011 Option Plan**”) that reserves for issuance, pursuant to its terms, up to 10 per cent. of the number of Ordinary Shares issued or issuable and outstanding from time to time. Under the terms of the 2011 Option Plan all the options issued under the 2009 Option Awards are aggregated with all options issued under the 2011 Option Plan for the purpose of computing the 10 per cent. limit on the options that may be issued pursuant to the 2011 Option Plan.

The purpose of the 2011 Option Plan is to attract, retain and motivate directors, officers, employees and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. Pursuant to the terms of the 2011 Option Plan, options may be granted based upon recommendations of the Board or a committee appointed thereby to administer the 2011 Option Plan. Options may not be transferred or charged (and any purported transfer or charge will cause the option to lapse forthwith) except, and subject also to applicable securities laws and the policies of any stock exchange upon which the Ordinary Shares may be listed or may trade from time to time, (i) on death where the personal representatives of an option holder shall be entitled to exercise the options to the extent that they had vested at the date of death prior to the first anniversary of the death of the holder, or (ii) where, subject to the approval of the Board which shall not be unreasonably withheld, such assignment is to their spouse or their children or to a trust or settlement set up for the benefit of the holder or their spouse or children. Options may be granted for a term not exceeding ten years. No person may be granted Options that under or pursuant to the 2011 Option Plan shall exceed 4 per cent. of the Ordinary Shares in issue at the date of grant. The Ordinary Shares to be purchased upon exercise of each option must be paid for in full by the grantee at the time of exercise and the 2011 Option Plan makes no provision for the Company to provide any financial assistance to the grantee to facilitate such exercise Unless otherwise directed by the Board at the date of the grant, each award shall vest as to one third on the date of grant, one third on the first anniversary of grant and the balance vesting on the second anniversary of the date of grant. The Board shall also be entitled to establish performance criteria, which may affect the vesting of the options or the rights of the holder to exercise the options.

Options may be granted under the 2011 Option Plan only to directors, officers, employees and consultants of the Company or to their permitted assigns, subject to the rules and regulations of applicable regulatory authorities and any stock exchange upon which the Ordinary Shares may be listed or may trade from time to time.

Options whether vested or not, will otherwise lapse on the tenth anniversary of the date of grant, or if the option holder is a bad leaver (as determined by the Board) on the date that the option holder becomes a bad leaver. If an option holder who is not a bad leaver is no longer a director, officer, employee and other service provider prior to the vesting of any option, such option shall also lapse save that, at the sole discretion of the Board, the Board may determine that such options have not lapsed and shall vest and be exercised within such period as the Board may determine. Any option that has already vested as of the date that an option holder who is not a bad leaver ceases to be a director, officer, employee and other service provider shall remain exercisable within the terms of the agreement, for a period of 120 days (or such longer period as the Board at its discretion may determine) from the date that the option holder ceases to be a director, officer, employee and other service provider.

The exercise price of options issued is to be determined by the Board but shall not be lower than the volume weighted average market price in the five day period preceding the date of grant. Upon exercise in accordance with the terms thereof, each option entitles the holder thereof to acquire one Ordinary Share. No option may be exercised unless the Company has sufficient authorized but unissued share capital and the directors have the relevant authority to allot shares free of any pre-emption rights.

Subject to the approval of any regulatory authority, if required, the Board may terminate, suspend or discontinue the 2011 Option Plan at any time and may make the following amendments or revisions to the terms of the 2011 Option Plan or an option without the approval of the Company's shareholders:

- (a) amendments of a "housekeeping" nature;
- (b) a change to the vesting provisions of an option or the 2011 Option Plan;
- (c) a change to the termination provisions of an option or the 2011 Option Plan that does not entail an extension beyond the dates on which an option shall lapse;
- (d) the addition of, and any subsequent amendment to, a conditional exercise;
- (e) a modification of the requirements as to eligibility for participation in the 2011 Option Plan;
- (f) the addition of, and any subsequent amendment to, a financial assistance provision; and
- (g) amendments to the terms and conditions of the 2011 Option Plan necessary to ensure that the 2011 Option Plan complies with the applicable laws and regulatory requirements, including the rules of the exchange(s) on which the Ordinary Shares are listed and the rules of any applicable taxation authority, in place from time to time.

No option that has already been granted shall be amended in a manner that might be prejudicial to the option holder without the express written approval of the option holder.

The Board must seek the approval by the Company's shareholders at a meeting duly held in accordance with applicable corporate laws before making any increase in the maximum percentage of options which may be granted under the 2011 Option Plan, or effecting any amendments that may lead to a significant or unreasonable dilution in the issued Shares or may provide additional benefits to participants, especially insiders of the Company, at the expense of the Company and/or its shareholders.

2009 Share Option Awards

In December 2009, the Company issued options to directors and employees of the Company to acquire up to 1,900,000 Ordinary Shares representing 2.97 per cent. of the Ordinary Shares in issue at the date of this Circular exercisable at 15 pence per Ordinary Share (the "**2009 Option Awards**"). Such awards were made under individual share option agreements. All of the agreements were identical with respect to the terms and conditions of the awards.

Options may not be transferred or charged (and any purported transfer or charge will cause the option to lapse forthwith) except, and subject also to applicable securities laws and the policies of any stock exchange upon which the Ordinary Shares may be listed or may trade from time to time, (i) on death where the personal representatives of an option holder shall be entitled to exercise the options to the extent that they had vested at the date of death prior to the first anniversary of the death of the holder; or (ii) to any person nominated by him on written notification of the same to the Company Secretary. Options were granted for a term not exceeding 10 years. The Ordinary Shares to be purchased upon exercise of each option must be paid for in full by the grantee at the time of exercise. Each award shall vest as to one third on the date of grant, one third on the first anniversary of grant and the balance vesting on the second anniversary of the date of grant.

Options whether vested or not, will otherwise lapse on the tenth anniversary of the date of grant, or if the option holder is a bad leaver (as determined by the Board) on the date that the option holder becomes a bad leaver. If an option holder who is not a bad leaver is no longer a director, officer, employee and other service provider prior to the vesting of any option, such option shall also lapse save that, at the sole discretion of the Board, the Board may determine that such options have not lapsed and shall vest and be exercised within such period as the Board may determine. Any option that has already vested as of the date that an option holder who is not a bad leaver ceases to be a director, officer, employee and other service provider shall remain exercisable within the terms of the agreement.

Pre IPO Option Awards

Prior to the Company's shares being admitted to trading in AIM in May 2005, the Company had granted options to various directors and employees at that time ("the pre IPO Option Awards"). As of the date of this Circular, a total of 278,360 options exercisable at a price of £1.50 on or before April 01, 2016 and a total of 274,925 options exercisable at a price of £3.00 on or before April 01, 2016 remain outstanding under these arrangements representing 0.86 per cent. of the Ordinary Shares in issue at the date of this Circular. These awards were made under individual share option agreements and all of the agreements were identical with respect to the terms and conditions of the awards.

All of the options have vested to the holders none of whom are current employees or directors of the Company and may now be exercised at any time up to their expiry.

2005 Serabi Share Option Plan

In February 2006, the Board adopted a share option plan (the "**2005 Option Plan**") and made certain awards to employees and directors. As of the date of this Circular, 7,500 options exercisable at a price of £3.84 on or before January 17, 2017 and 25,000 options exercisable at a price of £26.40 on or before November 14, 2017 remain outstanding under these arrangements representing 0.05 per cent. of the Ordinary Shares in issue at the date of this Circular.

All of the options have vested to the holders none of whom are current employees or directors of the Company and may now be exercised at any time up to their expiry.

The Company has determined that certain terms of the 2005 Option Plan were no longer appropriate and would not assist in attracting, retaining and motivating future option holders. The Company has terminated the 2005 Option Plan and no further awards will be made under the 2005 Option Plan.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

The Board is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities of the Company or otherwise, of any director or executive officer, or anyone who held office as such since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or of any associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting, other than the election of directors and the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, no director, officer or insider of the Company, or any associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction or in any proposed transaction since January 1, 2010 that has materially affected or would materially affect the Company or any of its subsidiaries.

ADDITIONAL INFORMATION

Financial information about the Company is provided in its financial statements for the year ended December 31, 2010 and related management's discussion and analysis. You may also obtain a copy of the Company's annual report for fiscal 2010, containing the Company's financial statements and management's discussion and analysis for fiscal 2010, as well as a copy of the Company's most recent financial statements and its AIF, by contacting the Company Secretary (Mr. Clive Line) or through e-mail to contact@serabimining.com.

All of these above mentioned documents as well as additional information relating to the Company are all available on the SEDAR website at www.sedar.com.

BOARD APPROVAL

The contents and the distribution of this Circular have been approved by the Board.

Dated at London, England on the 20th day of May, 2011

BY ORDER OF THE BOARD

(Signed) "T Sean Harvey"

T Sean Harvey
Chairman of the Board

SCHEDULE “A”

SERABI MINING PLC

MANDATE OF THE BOARD

Introduction

The term “Company” herein shall refer to Serabi Mining plc and the term “**Board**” shall refer to the board of directors of the Company. The Board is elected by the shareholders and is responsible for the stewardship of the business and affairs of the Company. The Board seeks to discharge such responsibility by reviewing, discussing and approving the Company’s strategic planning and organizational structure and supervising management to ensure that the foregoing enhance and preserve the underlying value of the Company.

Although directors may be elected by the shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company as a whole must be paramount at all times.

Chairman and Composition and Quorum

1. The Board will be comprised of a minimum of one member and a maximum of ten members, the majority of which shall be, in the determination of the Board, “independent” for the purposes of National Instrument 58-101 Disclosure of Corporate Governance Practices. Each Board member shall satisfy the independence and experience requirements, if any, imposed by applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.
2. The chairman of the Board will be elected by vote of a majority of the full Board membership, on the recommendation of the Corporate Governance and Nominating Committee. The chairman of the Board with the assistance of the lead director (who shall be an independent director), if any, will chair Board meetings and shall be responsible for overseeing the performance by the Board of its duties, for setting the agenda of each Board meeting (in consultation with the Chief Executive Officer (the “CEO”)), for communicating periodically with committee chairs regarding the activities of their respective committees, for assessing the effectiveness of the Board as a whole as well as individual Board members and for ensuring the Board works as a cohesive team and providing the leadership essential to achieve this.

Meetings

3. Meetings will be scheduled to facilitate the Board carrying out its responsibilities. Additional meetings will be held as deemed necessary by the Chairman of the Board. The independent directors of the Board shall hold regularly scheduled meetings at which non-independent directors and management are not in attendance. Any director of the Company may request the Chairman of the Board to call a meeting of the Board.
4. Meetings of the Board shall be validly constituted if a majority of the members of the Board is present in person or by telephone conference. A resolution in writing signed by all the members of the Board entitled to vote on that resolution at a meeting of the Board is as valid as if it had been passed at a meeting of the Board.

Board Charter and Performance

5. The Board shall have a written charter that sets out its mandate and responsibilities and the Board shall review and assess the adequacy of such charter and the effectiveness of the Board at least annually or otherwise, as it deems appropriate, and make any necessary changes. Unless and until replaced or amended, this mandate constitutes that charter. The Board will ensure that this mandate or a summary that has been approved by the Board is disclosed in accordance with all applicable

securities laws or regulatory requirements in the Company's annual management information circular or such other annual filing as may be permitted or required by applicable securities regulatory authorities.

Duties of Directors

6. The Board discharges its responsibility for overseeing the management of the Company's business by delegating to the Company's senior officers the responsibility for day-to-day management of the Company. The Board discharges its responsibilities both directly and through its committees. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. In addition to the Board's primary roles of overseeing corporate performance and providing quality, depth and continuity of management to meet the Company's strategic objectives, principal duties include the following:

Appointment of Management

- (a) The Board has the responsibility for approving the appointment of the CEO and all other senior management, and approving their compensation, following a review of the recommendations of the Compensation Committee. To the extent feasible, the Board shall satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company.
- (b) The Board from time to time delegates to senior management the authority to enter into certain types of transactions, including financial transactions, subject to specified limits. Investments and other expenditures above the specified limits and material transactions outside the ordinary course of business are reviewed by and subject to the prior approval of the Board.
- (c) The Board oversees that succession planning programs are in place, including programs to appoint, train, develop and monitor management.

Board Organization

- (d) The Board will respond to recommendations received from the Corporate Governance and Nominating Committee and the Compensation Committee, but retains the responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation.
- (e) The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems and health, safety and environmental policies, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Strategic Planning

- (f) The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the mission of the business and its objectives and goals.
- (g) The Board is responsible for adopting a strategic planning process and approving and reviewing, on at least an annual basis, the business, financial and strategic plans by which it is proposed that the Company may reach those goals, and such strategic plans will take into account, among other things, the opportunities and risk of the business.
- (h) The Board has the responsibility to provide input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.

Monitoring of Financial Performance and Other Financial Reporting Matters

- (i) The Board is responsible for enhancing congruence between shareholder expectations, corporate plans and management performance.
- (j) The Board is responsible for:
 - (i) adopting processes for monitoring the Company's progress toward its strategic and operational goals, and to revise and alter its direction to management in light of changing circumstances affecting the Company; and
 - (ii) taking action when Company performance falls short of its goals or other special circumstances warrant.
- (k) The Board is responsible for approving the audited financial statements, interim financial statements and the notes and Management's Discussion and Analysis accompanying such financial statements.
- (l) The Board is responsible for reviewing and approving the Company's annual budget, if any, presented by management.
- (m) The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters which the Board is required to approve under the Company's governing statute, including the payment of dividends, issuance, purchase and redemptions of securities, acquisitions and dispositions of material capital assets and material capital expenditures.

Environmental Matters

- (n) The Board is responsible for overseeing, with the assistance of relevant board committees, if any, the establishment of health, safety and environmental policies for its operations that are consistent with accepted industry practice and comply with applicable laws and regulatory requirements.

Risk Management

- (o) The Board has responsibility for the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Company and achieving a proper balance between the risks incurred and the potential return to the Company's shareholders.
- (p) The Board is responsible for the Company's internal control and management information systems.

Policies and Procedures

- (q) The Board is responsible for:
 - (i) developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines for the Company and approving and monitoring compliance with all significant policies and procedures related to corporate governance; and
 - (ii) approving policies and procedures designed to ensure that the Company operates at all times within applicable laws and regulations and to the highest ethical and moral standards and, in particular, adopting a written code of business conduct and ethics which is applicable to directors, officers and employees of the Company and which constitutes written standards that are reasonably designed to promote integrity and to deter wrongdoing.

- (r) The Board enforces its policy respecting confidential treatment of the Company's proprietary information and Board deliberations.

Communications and Reporting

- (s) The Board is responsible for approving and revising from time to time as circumstances warrant a disclosure policy to address communications with shareholders, employees, financial analysts, the media and such other outside parties as may be appropriate.
- (t) The Board is responsible for:
 - (i) overseeing the accurate reporting of the financial performance of the Company to shareholders, other security holders and regulators on a timely and regular basis;
 - (ii) overseeing that the financial results are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
 - (iii) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Company;
 - (iv) reporting annually to shareholders on its stewardship for the preceding year; and
 - (v) overseeing the Company's implementation of systems which accommodate feedback from stakeholders.

Position Descriptions

- (u) The Board is responsible for:
 - (i) developing position descriptions for the Chairman of the Board, the lead director, if applicable, the chair of each Board committee and, together with the CEO, the CEO (which will include delineating management's responsibilities);
 - (ii) developing and approving the corporate goals and objectives that the CEO is responsible for meeting; and
 - (iii) developing a description of the expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.

Orientation and Continuing Education

- (v) The Board is responsible for:
 - (i) ensuring that all new directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that the Company expects from its directors) and that they understand the nature and operation of the Company's business; and
 - (ii) providing continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Company's business remains current.

Nomination of Directors

- (w) In connection with the nomination or appointment of individuals as directors, the Board is responsible for:
 - (i) considering what competencies and skills the Board, as a whole, should possess;
 - (ii) assessing what competencies and skills each existing director possesses; and

- (iii) considering the appropriate size of the Board, with a view to facilitating effective decision making.

In carrying out each of these responsibilities, the Board will consider the advice and input of with the assistance of the relevant board committee, if any.

- (x) Director nominees shall be selected by a majority of the independent directors.

Board Evaluation

- (y) The Board is responsible for ensuring that the Board, its committees and each individual director are regularly assessed regarding his, her or its effectiveness and contribution. An assessment will consider, in the case of the Board or a Board committee, its mandate or charter and in the case of an individual director, any applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board.

Authority to engage outside advisors

7. The Board has the authority to engage independent counsel and other outside advisors as it determines necessary to carry out its duties including, but not limited to, identifying and reviewing candidates to serve as directors or officers, and to set and pay the compensation for any such advisors employed by the Board.
8. The Company shall provide appropriate funding, as determined by the Board, for payment (a) of compensation to any advisors engaged by the Board, and (b) of ordinary administrative expenses of the Board that are necessary or appropriate in carrying out its duties.

