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If you have sold or otherwise transferred all of your shares in Mwana Africa PLC, you should immediately send this document, together with the accompanying form of proxy, to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

MWANA AFRICA PLC

(Incorporated in England and Wales with Registered No. 02167843)

Directors:

Oliver Baring (*Executive Chairman*)
Kalaa Mpinga (*Chief Executive Officer*)
David Fish (*Finance Director*)
Ken Owen (*Technical Director*)
Hank Slack (*Non Executive Director*)
Tim Wadeson (*Non Executive Director*)
Stuart Morris (*Non Executive Director*)

Registered Office:

Devon House
12-15 Dartmouth Street
London SW1H 9BL

15 September 2006

To Shareholders of Mwana Africa PLC ("Mwana" or the "Company")

Dear Sir or Madam,

Notice of Annual General Meeting

1. 2006 Annual General Meeting

I have pleasure in enclosing with this letter Mwana Africa PLC's Annual Report and Accounts for the year ended 31 March 2006.

The Company's Annual General Meeting will be held on 20 October 2006 at 11.30 a.m. at the offices of Charles Russell LLP, 8-10 New Fetter Lane, London EC4A 1RS. The notice convening the meeting is set out at the end of this document. I would like to take this opportunity to explain to you the effect of those resolutions which relate to the board or which comprise Special Business to be transacted at the meeting.

2. The Board

Resolution 2

Hank Slack retires as a director by rotation and will stand for re-election in accordance with the Company's articles of association.

Resolutions 3 to 7

Kalaa Mpinga, David Fish, Tim Wadeson, Stuart Morris and Ken Owen have been appointed as directors by the board and as their appointments have not yet been approved at a general meeting of the Company, they each retire as directors and stand for re-election in accordance with the Company's articles of association.

In addition, the re-appointment of Tim Wadeson as a director who has reached 70 years of age requires the approval of members at a general meeting of the Company.

Brief biographical details of the directors these may be found on pages 4 and 5 of the enclosed annual report.

3. Special Business

Increase in share capital

An ordinary resolution (Resolution 10) will be proposed to increase the authorised share capital of the Company from £27,650,000 to £55,300,000 by the creation of an additional 276,500,000 ordinary shares of 10p each in the capital of the Company (“Ordinary Shares”). This would increase the authorised share capital by 100 per cent. from its current level.

Authority to allot shares

An ordinary resolution (Resolution 11) will be proposed to give the directors authority to allot share capital in the Company in accordance with section 80 of the Companies Act 1985 (the “Act”). The authority will be limited to an aggregate nominal value of £10,393,379.40 (103,933,794 Ordinary Shares). After allowing for the issue of up to 25,323,098 Ordinary Shares pursuant to the Company’s share option scheme, the directors would have authority to allot a further 78,610,696 Ordinary Shares representing approximately 30 per cent. of the current issued and committed share capital of the Company. The authority will expire fifteen months from the date on which this resolution is passed or, if earlier, at the conclusion of the next Annual General Meeting.

Resolution 12

The provisions of section 89(1) of the Act to the extent that they are not disapplied, confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be paid up, wholly in cash. Pursuant to this resolution, the provisions of section 89(1) of the Act will be generally disapplied in connection with:

- (a) rights or other pre-emptive issues;
- (b) the allotment of up to 25,323,098 Ordinary Shares pursuant to the grant of options under the Company’s share option scheme; and
- (c) any other issue of equity securities for cash which, when taken with other equity securities allotted for cash during the period of disapplication, do not in aggregate exceed a nominal value of £5,240,713.10 (being 52,407,131 Ordinary Shares, approximately 20 per cent. of the current issued and committed ordinary share capital).

The authority sought by this resolution will last until the date of the next Annual General Meeting of the Company or, if sooner, 15 months after the passing of the resolution. The purpose of this resolution is to ask you to renew the authority granted to the Board to raise additional funding at very short notice.

Resolution 13

This resolution authorises the Company to purchase up to a maximum of 26,203,565 Ordinary Shares, representing approximately 10 per cent. of the current issued and committed share capital.

The authority to purchase its own shares will only be exercised if so to do would result in an increase in earnings per share and is in the best interests of shareholders generally.

This authority shall continue for the period ending on the date of the next Annual General Meeting of the Company or, if sooner, 15 months after the passing of the resolution. In accordance with best practice, the Company has proposed this resolution as a special resolution.

Resolution 14

- (i) Amendment to Article 74 – Maximum number of directors

The Company’s articles of association currently limits the maximum number of directors to eight. The directors feel that it would give the Company greater flexibility to be able to appoint up to ten directors, and propose that the articles of association be amended accordingly.

- (ii) Amendment to Article 80 – Insurance

Article 80 gives the Company power to purchase and maintain insurance for the benefit of, amongst others, its auditors. In order to comply with current best practice, the proposed amendments to Article 80 have the effect of removing the express power of the Company to maintain insurance for the benefit of its auditors.

(iii) Amendment to Article 145 – Indemnity

Article 145 currently permits the Company to indemnify its directors, secretary and other officers against liability incurred in defending civil or criminal proceedings in which judgment is given in their favour or the proceedings are withdrawn or they are acquitted, and against the costs of successfully applying for relief for liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

By virtue of legislation relating to the indemnification of directors which came into effect recently, directors can now be indemnified in respect of liabilities incurred by them in proceedings brought against them by third parties. They can also be indemnified in certain circumstances in respect of the costs of civil and criminal proceedings as and when such costs are incurred. However, the indemnity cannot cover liability incurred by a director to the Company or any associated company, fines imposed in criminal proceedings and penalties imposed by regulatory authorities, costs incurred in civil proceedings brought by the Company or an associated company where judgement is given against him or costs incurred in proceedings for relief where relief is refused by the court.

The proposed new Article 145 continues to require the Company to indemnify its officers to the extent now permitted under the Act and, additionally, empowers the Company to indemnify its directors to the extent permitted under the recent legislative provisions summarised in the preceding paragraphs.

4. Action to be Taken

Shareholders will find enclosed with this document a Form of Proxy for the Annual General Meeting. **Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it. The Form of Proxy should be returned to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandymount Industrial Estate, Dublin 18 as soon as possible and, in any event, so as to arrive not later than 11.30 a.m. on 18 October 2006.** The completion and return of a form of proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

5. Recommendation

The directors, having consulted with the Company's nominated adviser, Canaccord Adams Limited ("Canaccord"), consider that the Resolutions are fair and reasonable insofar as shareholders are concerned. In advising the directors, Canaccord has relied on their commercial assessments.

The directors recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial shareholdings, which together amount to 60,748,347 Ordinary Shares representing approximately 24.5 per cent. of the present issued share capital of the Company.

Yours faithfully

Oliver Baring
Executive Chairman

General Information

Documents for Inspection

The following information, which is available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays and public holidays excepted) from the date of this notice until the date of the Annual General Meeting, will also be available for inspection at the place of the Annual General Meeting for a period of 15 minutes prior to the meeting and until the conclusion of the meeting:

- Memorandum and Articles of Association of the Company
- Register of interests of directors in the share capital of the Company
- Copies of service contracts of directors of the Company

Company Number: 02167843

THE COMPANIES ACTS 1985 to 1989
PUBLIC COMPANY LIMITED BY SHARES
NOTICE OF ANNUAL GENERAL MEETING
of
MWANA AFRICA PLC
(the “Company”)

Notice is hereby given that the 2006 Annual General Meeting of the Company will be held on 20 October 2006 at 11.30 a.m. at the offices of Charles Russell LLP, 8-10 New Fetter Lane, London EC4A 1RS for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 – 11 will be proposed as ordinary resolutions and resolutions 12 – 14 will be proposed as special resolutions:

ROUTINE BUSINESS

Ordinary Resolutions

1. To receive and adopt the Company’s annual accounts for the financial year ended 31 March 2006 together with the directors’ report and auditors’ report on those accounts.
2. To re-appoint Hank Slack as a director.
3. To re-appoint Kalaa Mpinga as a director.
4. To re-appoint David Fish as a director.
5. To re-appoint Tim Wadeson as a director.
6. To re-appoint Stuart Morris as a director.
7. To re-appoint Ken Owen as a director.
8. To re-appoint KPMG Audit Plc as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company.
9. To authorise the directors to fix the remuneration of the auditors.

SPECIAL BUSINESS

10. The authorised share capital of the Company be increased from £27,650,000 to £55,300,000 by the creation of an additional 276,500,000 ordinary shares of 10p each in the capital of the Company (“Ordinary Shares”).
11. In substitution for any existing authority subsisting at the date of this resolution (save to the extent that the same may already have been exercised and for any such powers granted by statute), the directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985 (the “Act”)) up to an aggregate nominal amount of £10,393,379.40, provided that this authority shall expire on the date of the next Annual General Meeting of the Company or 15 months after the passing of this resolution (whichever is earlier), save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolutions

12. Subject to the passing of resolutions 10 and 11 above, the directors be and are hereby empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) of the Company for cash pursuant to the general authority conferred on the directors pursuant to resolution 11 as if Section 89(1) of the Act did not apply to such allotment, provided that this power shall be limited to:

- 12.1 the allotment of equity securities which are offered to all the holders of equity securities of the Company (at a date specified by the directors) where the equity securities respectively attributable to the interests of such holders are as nearly as practicable in proportion to the respective number of equity securities held by them, but subject to such exclusions and other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements and any legal or practical problems under any laws or requirements of any regulatory body or stock exchange in any territory or otherwise;
- 12.2 the issue and allotment up to 25,323,098 Ordinary Shares pursuant to the African Gold Public Limited Company Share Option Scheme; and
- 12.3 the allotment (other than pursuant to paragraphs 12.1 and 12.2 above of equity securities up to an aggregate nominal value of £5,240,713.10,

provided that such power shall expire on the date of the next Annual General Meeting of the Company or 15 months after the date of the passing of this resolution (whichever is the earlier) but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

- 13 The Company be and is hereby generally and unconditionally authorised for the purposes of section 166 of the Act to make one or more market purchases (within the meaning of section 163(3) of the Act) of Ordinary Shares provided that:

- 13.1 the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 26,203,565;
- 13.2 the minimum price which may be paid for such shares is 10 pence per share;
- 13.3 the maximum price which may be paid for an Ordinary Share shall not be more than 5 per cent. above the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased;
- 13.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the date of the Company's next Annual General Meeting or, if sooner, 15 months from the date of passing this resolution;
- 13.5 the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

14. The articles of association of the Company be amended as follows:

- (i) Article 74:

Delete: "the Directors shall not be less than two nor more than eight in number"; and

Insert: "the Directors shall not be less than two nor more than ten in number";

- (ii) Article 80:

Delete: the words "or auditors" in line 3 of Article 80; and

Insert: the word "or" before the word "employees" in line 3 of Article 80;

- (iii) Article 145:

Delete: the existing Article 145 in its entirety; and

Insert: the following:

“INDEMNITY

- 145.1 Subject to the provisions of and so far as may be consistent with the Act, every director, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office providing that any such indemnity in relation to a director shall only be valid to the extent it constitutes a qualifying third party indemnity provision as defined in section 309B of the Act.
- 145.2 For the purpose of this Article 145 a director shall be entitled to vote and to be counted in the quorum at any meeting of the board or a committee of the board at which any indemnity, arrangement or proposal falling within this Article 145 is to be considered and, for the purpose of Article 96, any interest which any director may have in such indemnity, arrangement or proposal shall not be a material interest unless the terms of such indemnity, arrangement or proposal confer upon such director a privilege or benefit not available to, or awarded to, any other director in whose favour such indemnity, arrangement or proposal is given. The decision of the chairman of the meeting as to whether the indemnity, arrangement or proposal to be considered at the meeting falls within this Article 145 or as to the materiality of any director's interest therein for the purposes of this Article and Article 96 shall be final and conclusive.”

By Order of the Board

Dated: 15 September 2006

Brian Tuck
Company Secretary

Registered Office:
Devon House
12-15 Dartmouth Street
London SW1H 9BL

Notes :

A member entitled to attend and vote at the above meeting convened by the above notice shall be entitled to appoint a proxy (or proxies) to attend and, on a poll, vote in his place. Such proxy need not be a member of the Company.

A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded.

To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority) must be completed in accordance with the instructions set out on the form and deposited at or posted to the offices of the Company's Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 so as to be received no later than 11.30 a.m. on 18 October 2006. Completion and return of the form of proxy will not preclude shareholders from attending or voting at the meeting in person.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.

As provided in Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered in the register of members of the Company 48 hours before the time set for the meeting shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

