

HERENCIA RESOURCES PLC

(Company Number: 5345029)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Herencia Resources plc (the "Company") will be held at the offices of SGH Martineau LLP, 5th Floor, One America Square, Crosswall, London EC3N 2SG on Wednesday 26th June 2013 at 11.00 a.m. for the following purposes:-

Ordinary Business

1. To receive and adopt the report of the directors and the financial statements for the year ended 31st December 2012 and the report of the auditors thereon.
2. To re-elect, as director of the Company, Mr M A Bohm, who retires in accordance with Article 25.2 of the Company's Articles of Association and offers himself for re-election.
3. To re-elect, as director of the Company, Mr C K James, who retires in accordance with Article 20.2 of the Company's Articles of Association and offers himself for re-election.
4. To re-elect, as director of the Company, Mr G J Sloan, who retires in accordance with Article 20.2 of the Company's Articles of Association and offers himself for re-election.
5. To re-appoint UHY Hacker Young LLP as auditors to hold office from the conclusion of the Annual General Meeting until the conclusion of the next general meeting of the Company at which the accounts are laid before members and to authorise the directors to determine their remuneration.

Special Business

To consider, and if thought fit, to pass the following resolutions, of which resolutions 6 and 8 will be proposed as Ordinary Resolutions and resolutions 7, 9 and 10 will be proposed as Special Resolutions:

6. THAT the directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot and make offers to allot relevant securities (within the meaning of the Act) up to an aggregate nominal amount of £450,000.00 such authority shall, unless previously revoked or varied by the Company in general meeting, expire on the conclusion of the Annual General Meeting of the Company to be held in 2014 provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired.
7. THAT the directors be and they are hereby empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 6 above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:-
 - (a) the allotment of equity securities in connection with an issue in favour of shareholders where the equity securities respectively attributable to the interests of all such shareholders are proportionate (or as nearly as may be practicable) to the respective number of Ordinary Shares in the capital of the Company held by them on the record date for such allotment, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange, in any territory; and
 - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of further equity securities up to an aggregate nominal amount of £450,000.00;

provided that this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire at the conclusion of the Annual General Meeting of the Company to be held in 2014. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

8. THAT, in accordance with section 551 of the Act and in addition to the existing authorities, the directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £1,700,000.00 (1,700,000,000 Ordinary Shares) pursuant to the Share Purchase and Convertible Security Agreement between the Company and The Australian Special Opportunity Fund, LP entered into on 8th March 2013, provided that this authority will expire on the date falling three years after the date of this resolution (unless renewed or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.
9. THAT, subject to and conditional upon the passing of resolution 8, in accordance with section 571(1) of the Act, the directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 8 above, as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities pursuant to the Share Purchase and Convertible Security Agreement between the Company and The Australian Special Opportunity Fund, LP entered into on 8th March 2013 up to an aggregate nominal value of £1,700,000.00 (1,700,000,000 Ordinary Shares) and shall expire on the date falling three years after the date of this resolution (unless renewed varied or revoked by the Company prior to or on that date) but the Company may,

before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

10. THAT the articles of association of the Company be amended by substituting existing article 5.1 for the following new article: 5.1:-

“5.1 Every Member (except a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall without payment be entitled to receive within 2 months after the allotment of shares to him or lodgement of a transfer of shares to or by him (or within such other period as the conditions of issue shall provide) one certificate for all the certificated shares of each class registered or remaining registered in his name, provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Any two or more certificates representing shares of any one class held by any Member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge. In the case of shares held jointly by several persons any such request mentioned in this Article may only be made by the joint holder who is first named in the Register. Every definitive share certificate shall be issued under the Seal (or a securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) any of which seals may be affixed by laser printer or in such other manner as the Board having regard to the terms of issue, the Statutes and the London Stock Exchange may authorise, or signed (whether personally or otherwise and including by facsimile signature, howsoever applied) by a director and the secretary or by two directors, and shall specify the number and class of shares to which it relates and the amount paid up thereon. No definitive certificate shall be issued representing shares of more than one class. Unless the Directors otherwise determine no definitive certificate shall be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or a recognised investment exchange. Where a holder of any share has transferred a part of the shares comprised in his holding, he shall be entitled to a certificate for the balance without charge.”

BY ORDER OF THE BOARD

J M Bottomley
Company Secretary
24th May 2013

One America Square
Crosswall
London EC3N 2SG

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
2. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrars, **Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU** by hand, or sent by post, so as to be received not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be).
3. The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he wish to do so.
4. The Company has specified that only those members entered on the register of members at 6pm on 24th June 2013 shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of 0.1p each in the capital of the Company ("Ordinary Shares") held in their name at that time. Changes to the register after 6pm on 24th June 2013 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. **Resolution 2** – Article 25.2 of the Company's Articles of Association require that one third of the directors of the Company who have held office since the last Annual General Meeting, must retire and, if they are eligible, may offer themselves for re-election.
6. **Resolution 3 and 4** – Having been appointed since the last Annual General Meeting, both Christopher James and Graeme Sloan must retire in accordance with Article 20.2 of the Company's Articles of Association, and being eligible are offering themselves for re-election.
7. **Resolution 6** – As required by the Act, this resolution, to be proposed as an Ordinary Resolution, relates to the grant to the directors of a general authority to allot unissued Ordinary Shares until the conclusion of the Annual General Meeting to be held in 2014, unless the authority is renewed or revoked prior to such time. This authority is limited to a maximum of 450,000,000 Ordinary Shares and replaces the existing authority granted at the AGM held on 27th June 2012.
8. **Resolution 7** – The Act requires that if the directors decide to allot unissued Ordinary Shares in the Company the shares proposed to be issued be first offered to existing shareholders in proportion to their existing holdings. This is known as shareholders' pre-emption rights. However, to act in the best interests of the Company the directors may require flexibility to allot shares for cash without regard to the provisions of Section 561(1) of the Act. Therefore this resolution, to be proposed as a Special Resolution, seeks authority to enable the directors to allot equity securities up to a maximum of 450,000,000 Ordinary Shares. This authority replaces the existing authority granted at the AGM held on 27th June 2012 and expires at the conclusion of the Annual General Meeting to be held in 2014.
9. **Resolutions 8 and 9** – On the 11th March 2013 the Company announced that a Share Purchase and Convertible Security Agreement had been entered into with The Australian Special Opportunity Fund, LP a New York-based institutional investor managed by The Lind Partners (together, "Lind"). Under the Share Purchase and Convertible Security Agreement Lind will invest US\$0.3 million in monthly share subscriptions, for a maximum of 24 months, subject to certain conditions. The funds will be predominately utilised to advance the development of the Paguanta Project during 2013-14 including management of the Paguanta Project permitting process, continuing land and water access negotiations, extending local community relations initiatives, concluding port access negotiations, undertaking a surface work program to identify targeted resource drilling (for priority high grade mine areas) and selected exploration activities focussing on the recently identified potential porphyry targets around the Induced Polarisation anomalies. The funds will also provide the opportunity to continue other project financing initiatives with a key focus on debt financing, silver stream financing and concentrate off-take agreements associated with project development. The purpose of Resolutions 8 and 9 is to give the directors authority to allot Ordinary Shares free of pre-emption rights to Lind. The authority is limited to 1,700,000,000 Ordinary Shares and expires on 26th June 2016.
10. **Resolution 10** – This resolution provides for the alteration of the Company's articles of association to allow the use of electronic means to seal the Company's share certificates.