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If you have sold or transferred all of your shares in Coburg Group plc, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part only of your Ordinary Shares, you should retain this document and consult the stockbroker, bank or other agent through who the sale or transfer was effected.

The Directors, whose names appear on page 2 of this document, and the Company, accept responsibility collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List.

Coburg Group plc
Proposed variation of Investing Policy and Authorities to issue
Convertible Unsecured Loan Notes 2014 and certain Ordinary Shares
and
Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 and 5 of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Coburg Group plc, to be held at the Company's registered office at 12 noon on Friday 15th March, 2013 is set out at the end of this document. To be valid the accompanying Proxy Form, for use in connection with the meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 12 noon on 13th March, 2013. Completion and return of a Form of Proxy or the electronic appointment of a proxy, will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

This document does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction.

DIRECTORS AND ADVISERS

| | |
|---------------------------|---|
| Directors | Jeremy S P Maynard (Chairman) Bryan A Stockley (Non-executive) Konrad P Legg (Non-executive) |
| Company Secretary | Annabel de Vrij |
| Nominated Adviser | Grant Thornton Corporate Finance 30 Finsbury Square London EC2P 2YU |
| Brokers | Simple Investments 1 High Street Godalming GU7 1AZ |
| Solicitors to the Company | James Stallard & Co Central Court 25 Southampton Buildings London WC2A 1AL |
| Auditors | Bryden Johnson Kings Parade Lower Coombe Street Croydon CR0 1AA |
| Registrars SAIL address | Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield West Yorkshire HD8 0LA |

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
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| Latest time for receipt of proxy forms | 12 noon on 13 th March 2013 |
| General Meeting | 12 noon on 15 th March 2013 |

DEFINITIONS

The following definitions apply throughout this document, unless the subject or context otherwise requires:

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|--------------------------|---|
| “Act” or “Companies Act” | the Companies Act 2006 |
| “AIM” | the AIM Market operated by the London Stock Exchange |
| “AIM Rules” | the AIM Rules for Companies published by the London Stock Exchange from time to time |
| “Board” or “Directors” | the directors of the Company |
| “Company” | Coburg Group plc |
| “Form of Proxy” | the form of proxy which accompanies this document for use at the General Meeting |
| “General Meeting” | the general meeting of the Company to be held at the Company’s registered office at 12 noon on 15 th March 2013 |
| “Group” | the Company and its subsidiaries |
| “Loan Notes” | unsecured convertible loan notes 2014 of the Company to be constituted by a note instrument giving effect (inter alia) to the terms and conditions summarised in Appendix 2 |
| “Notice” | the notice of general meeting set out at the end of this document |
| “Ordinary Shares” | Ordinary Shares of 10p each in the capital of the Company |
| “Placing” | the proposed placing of Loan Notes described in this Circular |
| “Resolution” | a resolution set out in the Notice |
| “Shareholders” | holders of Ordinary Shares in the Company |

Coburg Group plc

(Registered and incorporated in England and Wales with company number 02956279)

Directors:

Jeremy S P Maynard (Chairman)
Bryan A Stockley (Non-executive)
Konrad P Legg (Non-executive)

Registered Office:

3 Harrington Way
Warspite Road
London
SE18 5NU

15th February 2013

Dear Shareholder

Proposed Placing of Ordinary Shares and Convertible Unsecured Loan Notes 2014, and Notice of General Meeting

In the Unaudited Interim Results of the Group for the six months to 31st October 2012 ("Interim Results") that were issued on 31 January 2013, I stated that the Company would be calling a general meeting to seek the approval of Shareholders to change its investing strategy and to grant the Directors authorities to issue Loan Notes and Ordinary Shares. The Chairman's Report which forms part of the Interim Results is reproduced in Appendix 1 ("Chairman's Report") and the full Interim Results can be accessed on the Company's website, www.coburg-group.com.

The Chairman's Report explained that if approved by Shareholders at the forthcoming General Meeting, future investment strategy would be focussed on investment in both quoted and unquoted companies as well as projects engaged in mineral exploration, mining and extraction. A Resolution to approve this proposed change is set out in the Notice of General Meeting.

The Chairman's Report also referred to the proposed placing of 175,000 Ordinary Shares at 60p per share, and the issue of £80,000 in nominal principal amount of Convertible Loan Notes 2014 ("Loan Notes"), to raise a total of £185,000. Since the publication of the Interim Results, following discussions with Shareholders and having regard to the provisions of the Takeover Code, the Board intends to raise £185,000 exclusively through a placing of the Loan Notes with a conversion price of 65p per Ordinary Share. The Company will be seeking authorities to issue Ordinary Shares on conversion of the Loan Notes as well as a small general authority to issue Ordinary Shares for cash or other consideration.

It is intended that the Loan Notes will largely be subscribed by Bruce Rowan (a substantial shareholder), and Konrad Legg and Jeremy Maynard who are Directors of the Company.

The purpose of this Circular is to seek the approval of shareholders of the proposed change to the Company's investing policy, and to confer the necessary authorities on the Directors to enable them to implement the issue of Loan Notes, by convening the General Meeting at which the appropriate Resolutions, as set out in the Notice of General Meeting at the back of this Circular, will be proposed.

The Board believes that the passage of these resolutions is essential if the Company is to continue as an investing company on AIM and, as I indicated, a precondition for the appointment of Mark Parker as a Director. If Shareholders do not pass the Resolutions with the requisite majority, the Directors will review the available options so as to maximise the return for Shareholders, including reviewing the position of Coburg as an AIM listed investing company.

Principal terms and conditions of the Loan Notes

The principal terms and conditions of the Loan Notes are set out in Appendix 2.

Use of Proceeds

The proceeds of issue of Loan Notes and any subsequent placings of Ordinary Shares for cash will be used in accordance with the Company's proposed investing policy as explained in this Circular.

Authority to allot shares and temporary disapplication of statutory pre-emption rights

The Resolutions, if passed, will authorise the Directors-

- 1 to issue up to 284,615 Ordinary Shares to holders of Loan Notes if they exercise conversion rights and convert Loan Notes into Ordinary Shares.
- 2 to issue up to an additional 117,581 Ordinary Shares for cash or other consideration; and
- 3 to issue up to 179,250 Ordinary Shares which may fall to be issued upon the exercise of subscription warrants and options to subscribe, which are already in issue.

The Resolutions, if passed, dis-apply pre-emption rights in relation to the above issues of shares.

General Meeting

The Notice set out at the end of this document convenes a General Meeting of the Company to be held on 15th March 2013 at the Company's registered office at Unit 3, Harrington Way, Warspite Road, Woolwich, London SE18 5NU at 12 noon. for the purpose of considering and, if thought fit, passing the Resolutions set out in the Notice.

Action to be taken

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions given on it and returned to the Company's registrars as soon as possible, and in any event so as to be received by them no later than 12 noon on 13th March 2013.

Completion and return of a Form of Proxy will not preclude a Shareholder from attending the General Meeting and voting in person.

Directors' Recommendation

The Directors believe that these proposals are essential if the Company is to continue as an investing company on AIM and are in the best interests of the Company and Shareholders.

Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolutions, as they intend to do in respect of their own beneficial shareholdings amounting, in aggregate, to approximately 24 per cent of the issued ordinary share capital of the Company.

Yours faithfully

Jeremy Maynard
Chairman

APPENDIX 1

The following is a copy of the Chairman's Report accompanying the Unaudited Interim Results for the six months ended 31 October 2012

“Results for the six months to 31 October 2012 show no revenue and a loss of £36,000. This loss largely relates to the on-going costs of maintaining the company's listing on the AIM Market and reflects the fact that the Company became an investing company under the AIM Rules following the sale of its coffee roasting business on 3 February 2012. At the end of October 2012 the total net tangible assets of the company stood at £129,000.

FINAL COMPLETION OF DISPOSAL OF THE FORMER COFFEE ROASTING BUSINESS

The company has now received the balance of the deferred consideration in respect of the sale of the coffee roasting business and, in accordance with the investing policy approved by Shareholders on 3 February 2012, the Directors have built a portfolio of mining and natural resource stocks, while keeping the on-going cost of running the Company as low as possible. Our portfolio stands at a value of approximately £110,000.

The Company has now implemented its investing policy to the satisfaction of the London Stock Exchange and intends to continue to trade as an investing company, subject to the matters described below.

FUTURE STRATEGY

In order to help develop the Company as a natural resource investment company, Mark Parker, an experienced mining exploration entrepreneur has, subject to the results of a general meeting that is described below, agreed to join the board as a Non-Executive Director to provide natural resources sector expertise and access to potential value-enhancing deals. Mark spent some 14 years as CEO of African Eagle Resources plc building a successful mining exploration business listed on AIM. Mark recently left that business to become the main shareholder and Managing Director of Equator Gold, an unlisted exploration company focused on exploring for gold in the new state of Southern Sudan.

The Company's current investing policy specifies investment in quoted natural resource companies including agribusiness. Following representations from Shareholders, a general meeting will be called to extend the policy to include unquoted businesses and investment in projects, but to narrow the focus to mineral exploration, mining and extraction. In view of the foregoing, the Company does not intend to make any further investments in the agribusiness sector. Shareholders will also be asked to give Directors authorities to issue shares to enable the Company to raise funds through the placing of shares and the issue of loan notes. Following the general meeting, the Company has agreed in principle to raise approximately £105,000 through a placing of shares at 60p and a further £80,000 through the issue of convertible loan notes to Konrad Legg and other investors including Bruce Rowan a substantial Shareholder in the Company who has indicated his intention to vote in favour of the resolutions to be put to Shareholders at the forthcoming general meeting. Further details of these proposals will be included in the circular that will shortly be sent to Shareholders.

If Shareholders do not pass the resolutions at the general meeting, the Directors will review the available options so as to maximise the return for Shareholders, including reviewing the position of Coburg as an AIM listed investing company.

In the meantime, I have accepted the position as Chairman of Coburg whilst Konrad Legg remains a Non-Executive Director of the Company.

Jeremy Maynard

Chairman

29th January 2013

APPENDIX 2

Summary of the principal Terms and Conditions of the Convertible Unsecured Loan Notes 2014 (the “Loan Notes”)

- 1 The principal nominal amount of the Notes is limited to £185,000.
2. The Loan Notes carry interest at the rate of 6 per cent per annum, payable semi annually in arrear.
3. The Loan Notes are convertible at any time at the option of Noteholders, into Ordinary Shares of the Company, on the basis of one ordinary share for every 65p in nominal amount of Loan Notes. The conversion price is to be adjusted if, while the Loan Notes remain outstanding, the Company issues shares by way of capitalisation of reserves, or sub-divides, consolidates or cancels Ordinary Shares, other than as set out in this document.
4. Notes not previously converted, are to be redeemed with accrued interest on 30th May 2014.
5. The redemption date of the Loan Notes may be accelerated upon the occurrence of usual events of default, including insolvency events.
6. The Loan Notes are transferable, but will not be admitted to trading on AIM.

NOTICE OF GENERAL MEETING

COBURG GROUP PLC

NOTICE IS HEREBY GIVEN THAT a GENERAL MEETING of the above-named company (the “Company”) will be held at the Company’s registered office at Unit 3, Harrington Way, Warspite Road, Woolwich, London SE18 5NU at 12 noon on Friday 15th March 2013 at which the following resolutions will be proposed:

Ordinary Resolutions

1 THAT the revised investing policy as described in Appendix 1 to the Circular letter to shareholders dated 15th February 2013 be and it is hereby approved and that the directors of the Company be and they are hereby authorised to carry it into effect.

2 THAT the issue of up to £185,000 in aggregate nominal amount of convertible unsecured loan notes 2014 on the terms of the draft loan note instrument produced to the meeting and initialled for the purposes of identification by the chairman of the meeting (“Loan Notes”), be and is hereby approved.

3 THAT the directors be and they are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot:

- (i) up to 284,615 ordinary shares of 10p each in the Company (“Ordinary Shares”) credited as fully paid which fall to be issued upon the conversion of Loan Notes into Ordinary Shares, provided that this authority shall expire when all the Loan Notes have been converted into Ordinary Shares or redeemed; and
- (ii) in addition up to 117,581 Ordinary Shares for cash or other consideration provided that this authority shall expire on 30th April 2014; and
- (iii) up to 179,250 Ordinary Shares which may fall to be allotted upon the exercise of subscription rights attached to subscription warrants and options in issue at the date of this Notice.

Special Resolution

4 THAT in accordance with Section 570 of the Companies Act 2006 (“Act”) the directors be and they are generally empowered to allot equity securities (within the meaning of Section 560 of the Act) pursuant to:

- (i) the authority conferred by paragraph (i) of resolution 3 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 which fall to be issued upon conversion of Loan Notes into shares provided that this authority shall expire when all the Loan Notes have been converted into shares or redeemed; and

- (ii) the authorities conferred by paragraphs (ii), and (iii) of resolution 3 as if Section 561 of the Act did not apply to any such allotment provided that the authority conferred by paragraph (ii) of resolution 3 shall expire on the date specified in that paragraph.

Registered office.

Unit 3 Harrington Way
Warspite Road
Woolwich
London SE18 5NU

By order of the board

Annabel de Vrij
Company Secretary

1. Holders of Ordinary Shares, or their duly appointed representatives, are entitled to attend and vote at the General Meeting. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A shareholder can appoint the Chairman of the meeting or anyone else to be his/her proxy at the meeting. A proxy need not be a shareholder. More than one proxy can be appointed in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that shareholder. To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder and returned in the same envelope. The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act. All Proxy Forms must be signed and, to be effective, must be lodged with Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive not later than 48 hours before the time of the meeting, or in the case of an adjournment 48 hours before the adjourned time.
2. The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described in note 3) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on the 15th March 2013 at 12 noon and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Capita Registrars Limited (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
4. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
5. In Accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the register of members of the company at 6pm 48 hours prior to the time for which the General Meeting is convened or, in the event that this meeting is adjourned, in the register of members as at 6pm. on the day two days before the day of any adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their names at that time. Changes to the entries on the register of members after the close of business two days prior to the date for which the General Meeting is convened or, in the event that this meeting is adjourned, in the register of members after the close of business on the day two days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
7. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the Company or an attorney for the Company.
8. Any power of attorney or other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.

