

To the holders of Ordinary Shares

17 November 2017

Dear Shareholder

Notice of General Meeting

Please find enclosed with this letter a notice (the “**Notice**”) for the Company’s general meeting (the “**GM**”) which will be held on 13 December 2017, together with a form of proxy (the “**Proxy Card**”).

As you will see the Notice contains 5 resolutions which will be considered by shareholders at the GM. To provide context and for ease of understand, the background to each of the resolutions is set out below:

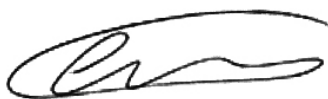
Resolution Background

1. On 16 November 2017, the Company announced it was raising £400,000 by way of a placing. This resolution is to provide the authorities necessary to issue the new shares, fee shares and broker warrants, pursuant to the placing agreement.
2. As the Company continues its development into a trading operation the directors require the ability to move quickly to take advantage to conduct fundraisings by way of private placings as and when appropriate opportunities arise. Accordingly, by this resolution the directors seek authority to issue up to 1,500 million new shares in one or more private placings.
3. This resolution relates to the Company’s obligations under the Loan agreement with Katrina Clayton. Under the Loan agreement, the lender has certain rights to convert amounts due to the lender into new shares in the Company, as announced previously. In this context, the directors are seeking authority to issue up to an additional 2.5 billion new shares to enable the Company to issue new shares which the Company may be obliged to issue in the event that the lender exercises conversion rights under the Loan agreement.
4. Given that the Company’s trading business is yet to generate profits, the directors recognise that conservative cash management continues to be of paramount importance. Accordingly, the directors wish to maintain flexibility to provide remuneration to staff, consultants and persons holding similar or equivalent positions through “equity incentives” (in this context meaning the issuing of options or new shares) and accordingly seek this authority from shareholders.
5. Resolution 5 seeks to dis-apply the application of pre-emption rights in respect of the issuing of any shares pursuant to the authorities sought under resolutions 1.2.3.and 4 in accordance with the Company’s articles of association.

The Board consider that the passing of the Resolutions is in the best interests of the Company and its shareholders as a whole and therefore intend to vote in favour of the Resolutions in respect of their own shareholdings, amounting in aggregate to approximately 2.2% of the existing issued ordinary share capital of the Company. Accordingly the Board recommend you vote in favour of the Resolutions.

The enclosed Proxy Card should be completed and returned in accordance with the instructions printed thereon so as to arrive at the Company’s registrar, Link Market Services, as soon as possible and in any event not later than 48 hours before the time of the GM. Completion and return of a Proxy Form will not prevent shareholders from attending and voting in person at the GM, should they so wish.

Yours faithfully,



Chris Cleverly
Executive Chairman, for and on behalf of
African Potash Limited