

**TANFIELD GROUP PLC ("the Company")**  
**(Incorporated in England and Wales with registered number 04061965)**

**Notice of Annual General Meeting**

**NOTICE** is hereby given that the Annual General Meeting of the Company will be held at the offices of Tanfield Group Plc, Vigo Centre, Birtley Road, Washington, Tyne and Wear, NE38 9DA on Tuesday 17 December 2013 at 9 a.m. for the following purposes:

**Ordinary Business**

To consider and, if thought fit, to pass the following resolutions numbered 1 to 4 (inclusive) as Ordinary Resolutions of the Company:

1. To receive the financial statements for the year ended 31 December 2012 and the reports of the directors and auditors thereon.
2. To re-elect Jon Peter Pither as a director, who retires by rotation in accordance with the Articles of Association.
3. To re-elect Charles Brooks as a director, who retires by rotation in accordance with the Articles of Association.
4. To re-appoint Baker Tilly UK Audit LLP as auditor of the Company to hold office from the conclusion of the meeting until the conclusion of the next meeting at which the accounts are laid before the Company, at remuneration to be determined by the directors.

**Special Business**

To consider and, if thought fit, to pass the following resolution numbered 5 as an Ordinary Resolution of the Company and the following resolutions numbered 6 and 7 as Special Resolutions of the Company:

5. That the directors of the Company be and are hereby generally and unconditionally authorised (in substitution for any previous authority) for the purposes of Section 551 of the Companies Act 2006 (as amended) (the "Act") to exercise all the powers of the Company to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company (such shares and such rights to subscribe for or to convert any security into shares in the Company being "relevant securities") on such terms and in such manner as they shall think fit, up to a maximum aggregate nominal amount of £2,324,853, being approximately one third of the nominal value of the Company's issued ordinary share capital, at any time (unless and to the extent previously renewed, revoked or varied by the Company in general meeting) during the period from the date hereof until 31 December 2014 or, if earlier, the conclusion of the Company's annual general meeting held in 2014, provided that the directors of the Company may make an offer or enter into an agreement which would or might require relevant securities to be allotted, offered or otherwise dealt with or disposed of after the expiry of such authority and the directors of the Company may allot any relevant securities after the expiry of such authority in pursuance of any such offer or agreement as if this authority had not expired.
6. That, subject to and conditional upon the passing of resolution 5 above, the directors of the Company be given power pursuant to Sections 570 and 573 of the Act to allot equity securities (as defined in Section 560 of the Act) of the Company

for cash pursuant to the authority conferred by resolution 5 above as if Section 561 of the Act did not apply to any such allotment, such power to expire (unless the authority conferred by resolution 5 above is previously renewed, revoked or varied) on 31 December 2014 or, if earlier, the conclusion of the Company's annual general meeting held in 2014 provided that before such expiry the directors of the Company may make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such power and the directors of the Company may allot equity securities after such expiry under this power in pursuance of any such offer or agreement as if this power had not expired. This power is limited to:

- 6.1 the allotment of equity securities for cash in connection with a rights issue or other pre-emptive offer to holders of ordinary shares of 5p each in the capital of the Company where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares of 5p each in the capital of the Company held by them but subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient to deal with any fractional entitlements or any legal or practical problems under the laws of, or the requirements of any regulatory body or any recognised stock exchange in, any territory; and
- 6.2 the allotment (other than pursuant to paragraph 6.1 of this Special Resolution) of equity securities up to a maximum aggregate nominal amount of £697,456 (being equal to approximately ten percent of the issued share capital of the Company).

This power applies in relation to any sale of shares which is an allotment of equity securities by virtue of Section 560(3) of the Act as if in the first paragraph of this resolution the words "pursuant to the authority conferred by resolution 5 above" were omitted.

7. That the Company be and is generally and unconditionally authorised for the purposes of Section 701 of the Act to make one or more market purchases (within the meaning of Section 693(4) of the Act) on the London Stock Exchange of its ordinary shares of 5p each (for the purposes of this Resolution "Ordinary Shares") provided that:
  - 7.1 the maximum aggregate number of Ordinary Shares authorised to be purchased is 13,949,123 (representing 10 percent of the Company's issued ordinary share capital);
  - 7.2 the minimum price which may be paid for such Ordinary Shares is 5p per Ordinary Share;
  - 7.3 the maximum price which may be paid for an Ordinary Share shall not be more than 5% above the average of the middle market quotations for a 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; and
  - 7.4 unless previously revoked, varied or renewed, this authority shall expire on 31 December 2014 or, if earlier at the conclusion of the Company's annual general meeting held in 2014 save that the Company may prior to such expiry enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority, and may purchase Ordinary Shares pursuant to such contract as if such authority had not expired.

By order of the Board  
C Brooks ACA  
Company Secretary

21 November 2013

Registered Office:  
Vigo Centre,  
Birtley Road,  
Washington,  
Tyne and Wear  
NE38 9DA

## **Notes**

### **1. Entitlement to Attend and Vote**

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only those holders of ordinary shares of 5p each in the capital of the Company registered in the Company's Register of Members at:

- 1.1 6.00 p.m. on 15 December 2013; or
- 1.2 if this meeting is adjourned, at 6.00 p.m. 48 hours prior to the adjourned meeting;

shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of 5p each in the capital of the Company registered in their name at that time. Subsequent changes to entries in the Register of Members as at 6.00 p.m. on 15 December 2013 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

### **2. Appointment of Proxies**

- 2.1 If you are a member of the Company at the time set out in 1.1 or 1.2 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting (whether on a show of hands or on a poll) and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to your proxy form.
- 2.2 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.

2.3 The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:

2.3.1 completed and signed;

2.3.2 sent or delivered to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and

2.3.3 received by Capita Asset Services no later than 48 hours before the meeting.

2.4 In the case of a member which is a Company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### 3. **Attending in Person**

The sending of a completed form of proxy to the Company's Registrar will not preclude members from attending and voting at the meeting, or any adjournment thereof, in person, should they so wish.

### 4. **Directors' Service Contracts**

Copies of the directors' service contracts with the Company or any of its subsidiary undertakings will be available for inspection:

4.1 for at least 15 minutes prior to the meeting; and

4.2 during the meeting.