

22 February 2016

Dear Shareholder

Tanfield Group Plc Notice of General Meeting and Placing

Please find enclosed notice of a Tanfield Group Plc General Meeting which has also been published on the Company's website www.tanfieldgroup.com.

The General Meeting ("GM") will be held at Sandgate House, 102 Quayside, Newcastle upon Tyne, NE1 3DX on Wednesday 16 March 2016 at 11:00 a.m. If you are unable to attend the GM but would like to vote, please use the proxy form included in the documents.

Subject to shareholder approval at the GM, the Company has raised a total of £400,000 through the placing of 2,758,620 ordinary shares ("the Placing Shares") at a price of 14.5 pence per share ("the Placing") and is seeking approval at the GM to issue 2,758,620 ordinary shares. The placing price represents a premium of 6% on the closing market share price on 15 February 2016 and the funds will be used to meet the ongoing running costs of the Company.

The resolution to be put to shareholders at the GM provides for the directors to be authorised to issue up to 2,758,620 ordinary shares without reference to statutory rights of pre-emption. Unless renewed, revoked or varied by the Company in general meeting, the authority will last from the date of the passing of the resolution until 31 December 2016 or, if earlier, the conclusion of the Company's Annual General Meeting held in 2016. The Placing is not being conducted pursuant to statutory rights of pre-emption as the directors consider that the costs of doing so are prohibitive in the context of the amount of funds being raised.

Yours faithfully

Daryn Robinson
Company Secretary

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

Notice of General Meeting

NOTICE is hereby given that a General Meeting of the Company will be held at the registered office of the Company at Sandgate House, 102 Quayside, Newcastle upon Tyne, NE13DX on 16 March 2016 at 11.00 a.m. for the following purposes:

To consider and, if thought fit, to pass the following resolution as a Special Resolution of the Company:

1. THAT:

1.1 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 £137,931, being approximately 1.83% 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 2016 or, if earlier, the conclusion of the Company's annual general meeting held in 2016, 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; and

1.2 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 paragraph 1.1 of this resolution as if Section 561 of the Act did not apply to any such allotment, such power to expire (unless the authority conferred by paragraph 1.1 of this resolution is previously renewed, revoked or varied) on 31 December 2016 or, if earlier at the conclusion of the Company's annual general meeting held in 2016 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 the allotment of equity securities up to a maximum aggregate nominal amount of £137,931.

By order of the Board

D Robinson
Company Secretary

22 February 2016

Registered Office:
Sandgate House
102 Quayside
Newcastle upon Tyne
NE13DX

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 14 March 2016; 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 14 March 2016 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.

TANFIELD GROUP PLC ("Company")

FORM OF PROXY

For use at the General Meeting of the Company to be convened for 11:00 a.m. on 16 March 2016

I/We [in block capitals please]
 being (a) member(s) of the Company, hereby appoint the Chairman of the Meeting, OR

Name of proxy	Number of shares proxy appointed over

as my/our proxy to exercise all or any of my/our rights to attend and vote on my/our behalf at the General Meeting of the Company to be held at the Registered Office of the Company at Sandgate House, 102 Quayside, Newcastle upon Tyne, NE1 3DX at 11:00 a.m. on 16 March 2016 and at any adjournment thereof. Please tick here if this proxy appointment is one of multiple appointments being made

I/we request my/our proxy to vote in the manner indicated below:

	FOR	AGAINST	VOTE WITHHELD
To authorise the directors to allot shares and to disapply statutory pre-emption rights			

Date Signature

NOTES

1. You are entitled to appoint one or more proxies of your own choice to exercise all or any of your rights to attend and vote at the meeting. A proxy need not be a member of the Company. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. You can only appoint proxies using the procedures set out in these notes.
2. If you wish to appoint a proxy other than the Chairman of the meeting, please insert their full name in the space provided and delete the words "the Chairman of the Meeting", OR ". Please initial any such alteration. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy; if you sign and return the form and leave this box blank, your proxy will be deemed to be authorised in respect of your full voting entitlement.
3. To appoint more than one proxy, you may photocopy this form. Please state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Please therefore indicate in the box next to the name of the proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided 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. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being deemed invalid.
4. Completion and return of this form of proxy will not preclude you from attending and voting at the meeting in person if you wish. If you do attend the meeting in person, your proxy appointments will be automatically terminated.
5. If you want your proxy to vote in a certain way on the resolution specified please indicate with an "X" in the appropriate boxes above. If you fail to select any of the given options your proxy can vote as he or she chooses or can decide not to vote at all. Your proxy can also do this on any other business which may come before the meeting, including any amendments to the resolution and any procedural business.
6. The "vote withheld" option on this form of proxy is provided to enable you to instruct your proxy not to vote on the resolution. However, a vote withheld is not a vote in law and will not be counted in the calculation of the votes "for" or "against" the resolution.
7. In the case of a corporation, this form of proxy must be executed under its common seal or signed on its behalf by its duly authorised officer or attorney.
8. In the case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
9. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at 6:00 p.m. on Monday 14 March 2016. Changes in entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. To be valid this form of proxy must be completed, signed and sent, together with any power of attorney or other authority under which it is signed, to **Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU** so as to arrive no later than 6:00 p.m. on Monday 14 March 2016 or 48 hours before any adjourned meeting.