

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action you should take, you are recommended immediately to seek advice from your legal, tax and/or other professional adviser.

If you have sold or otherwise transferred all of your subscription shares of no par value in the capital of the Golden Prospect Precious Metals Limited ("Subscription Shares"), please forward this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

The Ordinary Shares and the Subscription Shares are currently admitted to listing on the Official List of The Channel Islands Securities Exchange Authority Limited ("CISEAL") and to trading on the SETSqx platform of the London Stock Exchange.

GOLDEN PROSPECT PRECIOUS METALS LIMITED

(a closed-ended investment company incorporated with limited liability under the laws of Guernsey with registered number 45676)

Directors:

Malcolm Burne (*Chairman*)
Kaare Foy
Robert King
Toby Birch

Registered Office:

11 New Street
St. Peter Port
Guernsey
GY1 2PF

30 October 2014

To the holders of Subscription Shares

Dear Shareholder,

REMINDER OF SUBSCRIPTION RIGHTS – FINAL SUBSCRIPTION DATE

Introduction

This notice is sent to you as a registered holder of Subscription Shares to remind you that you have the right (but not the obligation) to convert your Subscription Shares into ordinary shares of 0.1p each in the Company ("**Ordinary Shares**") on 28 November 2014.

Each registered holder of Subscription Shares has the right, exercisable by notice given to the Company, to convert all or any of his Subscription Shares into fully paid Ordinary Shares on the basis of one Ordinary Share for every Subscription Share so converted (and so in proportion for any greater or lesser number of Subscription Shares by (a) subscribing in cash on the last business day in August, November, February or May (with the final date being 28 November 2014 (the "**Final Subscription Date**")) for all or any of the Ordinary Shares for which it is the holder at the price of 130 pence per Ordinary Share (the "**Subscription Price**") payable in full on subscription, and (b) otherwise complying with the terms of exercise attaching to the Subscription Shares.

Please note that this reminder notice is sent to you because the Company is obliged not earlier than 56 days nor later than 28 days before the Final Subscription Date to give notice in writing to the holders of the outstanding Subscription Shares reminding them of their subscription rights conferred by their Subscription Shares ("**Subscription Rights**") and, in relation to Subscription Shares held in uncertificated form ("**Uncertificated Subscription Shares**"), stating the form of Uncertificated Subscription Notice prescribed by the Directors.

THIS WILL BE YOUR FINAL OPPORTUNITY TO EXERCISE THE SUBSCRIPTION RIGHTS ATTACHING TO THE SUBSCRIPTION SHARES. This letter is not to be taken as a recommendation or advice to holders of Subscription Shares as to whether or not to exercise the conversion rights attaching to their Subscription Shares. Before making any decision whether or not to exercise the conversion rights attaching to your Subscription Shares, you should consider various factors including the relationship between the price of the Ordinary Shares in the market, the Subscription Price, the market price of the Subscription Shares and your own personal financial circumstances. If you are in any doubt about the action you should take, the Board recommends that you consult your professional adviser.

The information contained in this document is a summary of parts of, and is subject to, the rights and restrictions and terms and conditions attaching to the Subscription Shares as previously established by a resolution of the Directors of the Company, as set out in Part V of the Listing Document dated 24 October 2011 and as varied by a resolution of the holders of Subscription Shares passed at a separate meeting of such holders held on 2 May 2013, a copy of which is available for download from the section of NCIM's website dedicated to the Company – <http://www.ncim.co.uk>.

Financial information

The following table shows the closing mid-market quotations for a Subscription Share and an Ordinary Share as derived from Bloomberg as at the close of business on 27 October 2014 (the latest practicable date prior to the printing of this notice) and on the first dealing day in each of the six months before the date of this notice:-

	<i>Subscription Share Price</i>	<i>Ordinary Share Price</i>
27 October 2014	0.225p	32.50p
1 October 2014	0.225p	34.50p
1 September 2014	0.225p	41.125p
1 August 2014	0.275p	41.00p
1 July 2014	0.225p	37.75p
2 June 2014	0.25p	35.00p
1 May 2014	0.25p	37.25p

Ordinary Shares allotted pursuant to the exercise of Subscription Rights on the Final Subscription Date will not rank for any dividends or other distributions declared, paid or made on the Ordinary Shares by reference to a record date prior to the Final Subscription Date but, subject thereto, will rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise will rank *pari passu* in all other respects with the Ordinary Shares in issue on the Final Subscription Date.

Admission to Listing on CISEAL and to Trading on SETSqx

Application will be made to CISEAL for the Ordinary Shares allotted pursuant to any exercise of Subscription Rights to be admitted to listing on the Official List of CISEAL and to trading on the SETSqx platform of the London Stock Exchange within 14 days after the allotment thereof.

Procedure for exercise of Subscription Rights

If you wish to exercise the Subscription Rights on the Final Subscription Date, you should:-

- follow the procedures set out in Appendix 1 to this letter if your Subscription Shares are held in uncertificated form (i.e. in electronic form as a computer record in an account with CREST); or
- follow the procedures set out in Appendix 2 to this letter if your Subscription Shares are held in certificated form (i.e. if your Subscription Shares are still evidenced by a share certificate).

Whether your Subscription Shares are held in uncertificated form or certificated form will be determined by reference to the register of holders of Subscription Shares as at the close of business on the date you exercise your Subscription Rights.

What happens if holders do not exercise their Subscription Rights?

Under the rights attaching to the Subscription Shares as set out in Part V of the Listing Document dated 24 October 2011 and as varied by a resolution of the holders of Subscription Shares passed at a separate meeting of such holders held on 2 May 2013, the Company is required to appoint a trustee whose role is to take any Subscription Shares which have not been converted into Ordinary Shares on the Final Subscription Date, and, if he believes that the net proceeds of sale would exceed the costs of exercising Subscription Rights, to exercise those Subscription Rights, convert those outstanding Subscription Shares into Ordinary Shares at the Subscription Price of 130 pence per Ordinary Share and sell the resulting Ordinary Shares in the market. Given the current market price of Ordinary Shares, the Directors consider it very unlikely that a trustee would consider it appropriate to exercise that right and

accordingly the Directors consider that the appointment of a trustee would represent an expense to the Company with no corresponding benefit to the Company or its shareholders. Accordingly, the Directors propose not to appoint any such trustee. However, any holder of Subscription Shares who takes a different view is invited to contact the Directors at the Company's registered office without delay.

THE FINAL SUBSCRIPTION DATE OF 28 NOVEMBER 2014 IS YOUR FINAL OPPORTUNITY TO EXERCISE THE SUBSCRIPTION RIGHTS ATTACHING TO YOUR SUBSCRIPTION SHARES.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Malcolm Burne', written over a circular stamp or mark.

Malcolm Burne
Chairman

APPENDIX 1

PROCEDURE FOR EXERCISE OF SUBSCRIPTION RIGHTS CONFERRED BY SUBSCRIPTION SHARES HELD IN UNCERTIFICATED FORM

Form of Uncertificated Subscription Notice

In order to exercise all or any of the Subscription Rights on the Final Subscription Date, an **“Uncertificated Subscription Notice”** being a Subscription Notice for Subscription Shares held in uncertificated form, as described below, must be received in accordance with the instructions below on or prior to the Final Subscription Date. The Directors have prescribed that the Uncertificated Subscription Notice will be in the form of an unmatched stock event transaction instruction (a **“USE Instruction”**) to transfer the number of Subscription Shares in respect of which the Subscription Rights are to be exercised from the relevant member account of the CREST member to the member account of the Company’s receiving agent specified below. The USE Instructions must be authenticated in accordance with Euroclear UK & Ireland Limited’s (**“Euroclear”**) specifications and, in addition to the other information that is required for settlement in CREST, must contain the following details:-

- (i) the number of Subscription Shares to be exercised;
- (ii) the cash amount payable on subscription;
- (iii) the participants ID of the holder of the Subscription Shares;
- (iv) the member account ID of the holder of the Subscription Shares;
- (v) the participant ID of the Company’s receiving agent – this is RA06;
- (vi) the member account ID of the Company’s receiving agent – this is GPPMLSUB;
- (vii) the corporate action number – please check this with CREST before subscribing;
- (viii) the corporate action ISIN – this is GG00B63JZY45; and
- (ix) the latest settlement date – this is 1.00 pm on the Final Subscription Date.

If you are unsure of the identification to be given under (iii) and (iv) above, please consult your Nominee Company or CREST sponsor.

Receipt of Uncertificated Subscription Notice

In order for an Uncertificated Subscription Notice to be valid:-

- (a) it must be settled by Euroclear, and comply with the requirements specified under the heading 'Form of Uncertificated Subscription Notice' above prior to 1.00 pm on the Final Subscription Date; and
- (b) you must be registered as the holder of not less than the number of Subscription Shares referred to in the Uncertificated Subscription Notice, and such Subscription Shares must be credited to your member account identified in the Uncertificated Subscription Notice not later than 1.00 pm on the Final Subscription Date.

If you send a valid Uncertificated Subscription Notice in relation to any or all of your Subscription Shares to Euroclear (or if any such notice is sent on your behalf), you will be treated as representing and warranting to the Company that that notice will be fully capable of settlement on the Final Subscription Date. Any breach of that representation and warranty will allow the Company to treat the Uncertificated Subscription Notice as invalid.

A valid Uncertificated Subscription Notice, once received as stated above, may not be withdrawn by you without the written consent of the Directors. It is your responsibility to take such action as shall be necessary to ensure that a valid Uncertificated Subscription Notice is received in accordance with the requirements set out in this Appendix 1 prior to 1.00 pm on the Final Subscription Date. Your attention is drawn to the practical limitations of the CREST system, details of which are set out in section 2 of chapter 1 of the CREST Manual.

The Directors reserve the right to treat as valid an Uncertificated Subscription Notice which is not in all aspects valid in accordance with the above or to accept an alternative instruction or notification from you in the event that, for reasons outside your control, you are unable to send an Uncertificated Subscription Notice to Euroclear in accordance with the above requirements.

Payment of Subscription Monies through CREST

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the conversion of shares held in CREST. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor take) such action as shall be necessary to ensure that a USE instruction settles and payment is made by 1.00 pm on the Final Subscription Date. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Settlement

The Ordinary Shares allotted on any exercise of the Subscription Rights conferred by your Subscription Shares in uncertificated form will be issued in uncertificated form. The Company will, within 10 business days following the Final Subscription Date, notify Euroclear by an issuer-instruction (as defined in the Uncertificated Securities Regulations 2001) of the Ordinary Shares issued to you or to which you are entitled. This will result in Euroclear crediting such Ordinary Shares to the member account identified in the Uncertificated Subscription Notice on or prior to the following business day.

APPENDIX 2

PROCEDURE FOR EXERCISE OF SUBSCRIPTION RIGHTS CONFERRED BY SUBSCRIPTION SHARES HELD IN CERTIFICATED FORM

Subscription Notice and Payment of Subscription Monies

If you wish to exercise any of the Subscription Rights on the Final Subscription Date, you must lodge the certificate(s) evidencing those Subscription Shares at the office of Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU after 1 November 2014 but not later than 3.30 pm on the Final Subscription Date having completed the notice of subscription (the “**Subscription Notice**”) printed on the reverse of the certificate(s). Each certificate must be accompanied by a remittance for the subscription price of 130 pence per Ordinary Share in respect of Ordinary Shares for which Subscription Rights are being exercised. Cheques should be drawn from a UK bank account and made payable to 'Capita Registrars Limited Re: Golden Prospect Precious Metals Limited' and crossed 'A/C payee only'.

A valid Subscription Notice, once received as stated above, may not be withdrawn without the consent of the Directors of the Company.

Lost Share Certificates

If you have lost the certificate(s) for your Subscription Shares and you wish to exercise any of your Subscription Rights, then you should write to the office of Capita Asset Services at the address stated above giving notice of your intention to subscribe (and enclosing the appropriate payment) and stating that you have lost the certificate(s) for your Subscription Shares. You will then be sent a form of indemnity for completion to cover the lost certificate(s) for your Subscription Shares.

Settlement

The Ordinary Shares to be allotted on any exercise of the Subscription Rights will be allotted by the Company within 10 business days of the Final Subscription Date.. Certificates for the Ordinary Shares allotted on such exercise of Subscription Rights will be despatched within 28 days of the allotment of the Ordinary Shares to the persons entitled thereto (at their risk) or, if so directed, to the agent of such person(s). Transfers will be certified against the register of holders of Subscription Shares pending the issue of such certificates.