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If you have sold or otherwise transferred all of your registered holding of Shares, please send this document, together with the accompanying Form of Proxy, as soon as possible 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. If you have sold or transferred part of your holding of Shares prior to such date, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

MAJEDIE INVESTMENTS PLC

(incorporated in England and Wales with registered no. 109305)

Recommended proposals for the provision of further capital contributions of an amount not exceeding £3.5 million to Javelin Capital LLP and proposed modifications to the investment objective and policy of the Company

and

Notice of General Meeting

This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

This is not a prospectus but a shareholder circular. The distribution of this document in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. **Your attention is drawn to the letter from the Chairman of Majedie which is set out on pages 3 to 11 of this document, which contains the unanimous recommendation of the Board that you vote in favour of the resolutions to be proposed at the General Meeting convened by the notice set out in this document. Please read the whole of the document.**

Notice of the General Meeting, which is to be held at 11.00 a.m. on 29 June 2011 at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA, is set out at the end of this document. A Form of Proxy for use in relation to the General Meeting is also enclosed. To be valid, the Forms of Proxy should be completed, signed and returned in accordance with the instructions printed on them so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 a.m. on 27 June 2011. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting, should they so wish.

Cenkos Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Majedie in connection with the Capital Contribution and is not advising any other person and accordingly will not be responsible to anyone other than Majedie for providing the protections afforded to clients of Cenkos Securities or for providing advice in relation to the matters contemplated in this document.

Cautionary note regarding forward-looking statements

This document contains a number of "forward-looking statements". Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates", "forecast", "plan" and "project" or in each case, their negative, or similar expressions identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to risks, assumptions and uncertainties that could cause the actual results to differ materially from those expressed or implied in the forward-looking statements. Many of these risks, assumptions and uncertainties relate to factors that are beyond the Company's abilities to control or estimate precisely, such as future market conditions, changes in general economic and business conditions, introduction of competing products and services, lack of acceptance of new products or services and the behaviour of other market participants. Although Majedie believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Shareholders should not, therefore, place undue reliance on these forward-looking statements, which speak only as of the date of this document. Except as required by the FSA, the London Stock Exchange or applicable law (including as may be required by the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules), Majedie expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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EXPECTED TIMETABLE OF EVENTS

Latest time for receipt of Forms of Proxy	11.00 a.m. on 27 June 2011
General Meeting	11.00 a.m. on 29 June 2011

Notes: All references in this document to times are to London time unless otherwise stated and are given on the basis of the Directors' current expectations and are subject to change.

PART I - LETTER FROM THE CHAIRMAN OF MAJEDIE INVESTMENTS PLC
(Incorporated in England and Wales with registered no.109305)

Registered office:

Tower 42
25 Old Broad Street
London
EC2N 1HQ

Directors:

Andrew Adcock (*Chairman*)
Christopher Arnheim
William Barlow
Paul Gadd
Hubert Reid

6 June 2011

Dear Shareholder,

**Proposed provision of further capital contributions not exceeding
£3.5 million to Javelin Capital LLP and proposed modifications to Majedie's investment objective
and investment policy**

Introduction

On 1 September 2010 the Company announced the launch of Javelin Capital, a newly authorised asset management business which was appointed to manage the Company's assets. The Company transferred all its existing employees to Javelin Capital at that time to ensure continuity of the management of the Company's assets. Javelin Capital is an alternative equity boutique offering both long-short (absolute return) and long-only investment approaches. Javelin Capital is regulated by the FSA and, as such, is subject to the FSA's rules in the conduct of its investment business. The Board's aim is to develop Javelin Capital into a specialist fund management group managing the Company's assets and delivering multi strategy fund management services to third party investors. The Board believes that Javelin Capital can develop into a high quality specialist fund management group which can create significant value for the Company and its Shareholders.

To finance the start up of Javelin Capital and its then projected operating and working capital requirements (including its regulatory capital requirements) for the first three years, the Board agreed to invest £4.5 million into Javelin Capital on 1 September 2010. Javelin Capital's business plan, which was based on management forecasts including, *inter alia*, forecast operating costs and targeted assets under management, envisaged that within three years of the Initial Capital Contribution the Company would substantially recoup the value of this initial investment.

In late September 2010, the Company invested \$31 million (£20 million based on prevailing foreign exchange rates at that time) of seed capital into the Javelin Capital Global Equity Strategies Fund, the first flagship fund launched by Javelin Capital. Javelin Capital intends to launch a second, UCITS-compliant fund, Javelin Capital Emerging Markets Alpha, in July 2011, which Majedie will seed with a £15 million investment.

As announced on 21 April 2011, the Board proposes to make further equity investments of up to, in aggregate, £3.5 million in Javelin Capital to provide additional regulatory and working capital and to secure its long term funding until it reaches profitability. At the same time, the limited liability partnership agreement relating to Javelin Capital will be revised as a consequence of the Capital Contribution.

The Board believes that the further investment in Javelin Capital and the investment in the Emerging Markets Alpha (UCITS) fund, will require a modification to the Company's investment policy. For the reasons set out below, the Board also proposes to modify the Company's investment objective.

The purpose of this document is to provide you with details of, and the background to, the Capital Contribution and the Revised LLP Agreement and the modification to the Company's investment objective and policy, to explain why the Proposals are in the best interests of Shareholders as a whole

and why the Board is seeking Shareholder approval and to recommend that you vote in favour of the Resolutions set out in the Notice of General Meeting at the end of this document. The Proposals are conditional upon Shareholder approval.

Capital Contribution

At the time of the Annual General Meeting on 19 January 2011, the Board noted that further investment may be required in Javelin Capital as the process of attracting external assets under management was taking longer than anticipated in the initial business plan. As at 31 May 2011 Javelin Capital had £151.5 million of assets under management, substantially all of which comprise assets of the Company. Further, Javelin Capital's running and operating costs have, to date, exceeded initial management forecasts, although not materially. However, attracting external assets has proceeded significantly more slowly than envisaged.

Consequently, in order to provide further working and operating capital (including amounts necessary to ensure that Javelin Capital meets its regulatory capital requirements, with which it is not currently compliant) and thereafter to help secure Javelin Capital's forecast funding requirements to 30 September 2013, the Board is seeking approval from Shareholders to invest up to a further £3.5 million of equity capital in Javelin Capital, by way of the Capital Contribution.

If the Capital Contribution were to be made in full, Majedie's aggregate capital contribution to Javelin Capital would total £8.0 million, representing 6.7 per cent. of the Company's unaudited consolidated total asset value as at 31 May 2011 (being the latest practicable date before publication of this Circular) and 8.4 per cent. of its market capitalisation as at that date.

It is intended that £2.5 million of the Capital Contribution shall be invested in Javelin Capital as soon as practicable following approval by Shareholders. The balance of the Capital Contribution may be invested in Javelin Capital (in either one or several transactions) at the Board's absolute discretion should additional funding be required for the purposes of Javelin Capital's ongoing operating, regulatory and working capital requirements. On the basis of the revised Javelin Capital business plan, which takes account of the steps taken by the Board and Javelin Capital to reduce significantly Javelin Capital's operating costs, the remainder of the Capital Contribution would not be required. The Board does not believe any further investment will need to be made available to Javelin Capital by the Company (other than the Capital Contribution) between the date of this document and 30 September 2013, by which time the Board currently expects that Javelin Capital will become cash flow positive. The revised business plan also envisages that the Company's investment in Javelin Capital, together with deemed interest at the rate of LIBOR plus 5 per cent., will be repaid in full by the financial year ending 30 September 2015.

The Capital Contribution will be made on the basis of the Revised LLP Agreement, the terms of which are summarised in Part II below. The Revised LLP Agreement shall supersede the existing LLP Agreement between Majedie and the other members in Javelin Capital. The terms of the existing LLP Agreement are summarised in paragraph 3.1 of Part III below.

Javelin Capital is the duly appointed investment manager of Majedie (pursuant to the Investment Management Agreement summarised in paragraph 3.2 of Part III below) and is therefore a related party of Majedie under the Listing Rules. The Capital Contribution and the entering into of the Revised LLP Agreement are therefore related party transactions under the Listing Rules which require Shareholder approval.

Javelin Capital

Javelin Capital is an alternative equity boutique offering both long-short (absolute return) and long-only investment approaches which intends to differentiate itself initially by focusing on global and emerging markets equities and utilising innovative investment approaches with the goal of achieving superior low volatility performance.

Javelin Capital has a performance driven, equity ownership culture, whereby as well as the Individual Members having ownership interests in Javelin Capital, Javelin Capital's employees are entitled to participate in the ownership of Javelin Capital through the Javelin Capital Employment Benefit Trust which holds equity interests in Javelin Capital on trust for the benefit of such employees.

The Company holds an equity participation of 70 per cent. in Javelin Capital and the Company can appoint representatives to attend and vote on behalf of the Company at meetings of Javelin Capital's management board. The Company, on the one hand, and the Individual Members on the other, are entitled to exercise three votes each. Furthermore, the Chairman of the management board of Javelin

Capital is a Company representative. In the event of a deadlock the appointed Chairman has a casting vote. As announced on 21 April 2011 Gerry Aherne, who led the formation and launch of Javelin Capital and had served on the Board since May 2006, resigned as a member (including his role as managing member) of Javelin Capital and as a director of Majedie, each with effect from 21 April 2011. Victor Pina was appointed as managing member of Javelin Capital with effect from that date.

It is intended that, following the General Meeting, William Barlow, who is a Director of the Company and interested in 2,573,248 Shares, will be appointed as the Chief Operating Officer of Javelin Capital, reporting to Victor Pina. Mr. Barlow will remain a Director of the Company.

Javelin Capital is a majority-owned subsidiary of the Company. As at 31 March 2011 the net assets invested in Javelin Capital were included in the Group interim unaudited consolidated report and accounts at £0.9 million, representing 0.76 per cent. of the Company's unaudited consolidated total asset value of £118.84 million as at that date. The investment represents 4.9 per cent. of the Company's total unaudited consolidated total asset value as at 31 May 2011, being the latest practicable date before the publication of this circular. As at and for the year ended 30 September 2010, being the date to which the Company's last audited consolidated accounts were prepared, Javelin Capital had gross assets of £2.12 million and made a loss after tax of £2.31 million (£1.89 million of which related to pre-launch costs connected with Javelin Capital's establishment).

The Javelin Capital management team

Javelin Capital draws on strong expertise and a range of experience. The assets comprised in the Company's Core Portfolio are managed by Nick Rundle. Nick joined the Company in November 2009, becoming a member of Javelin Capital in September 2010. He graduated with a BA (Honours) degree in PPE from Oxford University and joined Wood Mackenzie in 1983. He worked for a number of brokers including BZW from 1988 to 1995. He was Head of Client Account Management at Morley Fund Management, the asset management division of Aviva, before joining Gerrard as an investment manager in 2002. Nick was a Senior Investment Manager and Associate Director at Taylor Young from 2004 to 2009 where he managed the Taylor Young UK Income Fund.

The Global Equity Strategies Fund is managed by a team led by Victor Pina in his capacity as Chief Investment Officer of Javelin Capital Alternative Strategies. Victor joined Javelin Capital in February 2009. Before Javelin Capital, Victor worked for Goldman Sachs International from 2006 where he managed a multi-approach Emerging Markets equity absolute return fund with a long-short strategy. Prior to Goldman Sachs, Victor worked from 1994 to 2006 at Citigroup/Legg Mason where he co-managed the Global Emerging Markets long-only product and built the Mexican equity business where he became head of equity portfolio management when Citigroup acquired Grupo Financiero Banamex Accival (a Mexican financial services provider). Victor has a Masters in Finance and a Major in Actuarial Sciences from ITAM, Mexico, where he also worked as a part time professor in Risk Management, Portfolio Management and Equity Derivatives.

Nick and Victor are supported by a team of three individuals with significant experience operating at senior levels in leading international fund management groups and investment banks.

Javelin Capital funds

The Global Equity Strategies Fund is a sub-fund of Javelin Capital Strategies plc, an umbrella type investment company with variable capital domiciled in Ireland which has been authorised by the Central Bank of Ireland for marketing solely to "qualifying investors" (being, broadly, "professional clients" as such term is defined in the Markets in Financial Instruments Directive (Directive 2004/39/EC) and certain experienced investors).

The investment objective of the Global Equity Strategies Fund is to preserve investors' capital and generate a positive absolute return through time.

As at 31 May 2011, being the latest practicable date prior to the publication of this Circular, the net asset value of the Global Equity Strategies Fund was \$31.3 million of which the value of the Company's initial seed investment was \$30.9 million (£18.8 million). The investment represents 12.2 per cent. of the Company's unaudited consolidated total asset value as at 31 May 2011. In the period from 20 September 2010 to 31 May 2011 the net asset value of the Global Equity Strategies Fund decreased from \$100.00 per share to \$99.44 per share, or -0.56 per cent. as compared with returns on 10 year US Treasuries of -1.18 per cent., on LIBOR of 0.21 per cent., and the performance of the HFRX Equity Hedge Index of 1.27 per cent., each over the same period.

As soon as practicable following the General Meeting (and as noted in the announcement made on 21 April 2011), Javelin Capital intends to launch the Emerging Markets Alpha (UCITS) fund which is intended to benefit from investment opportunities within emerging markets equities whilst limiting exposure to downside risk. Javelin Capital believes that there is significant market appetite for such a fund, and that it will be the first fund of its type, providing emerging markets exposure whilst targeting a limited downside risk within a UCITS-compliant fund. The fund will employ three of the four strategies employed by Javelin Capital in the Global Equity Strategies Fund, namely the Tactical Beta, Tactical Alpha and Fundamental strategies, and will target a higher volatility and higher return than the Global Equity Strategies Fund. Javelin Capital intends that the fund should target a zero Beta exposure over the long term. Majedie intends to invest £15 million by way of seed capital in the Emerging Markets Alpha (UCITS) fund on its launch.

Proposed modification to the Company's investment objective and investment policy

Your Board is also proposing to modify Majedie's investment objective and investment policy. The modification to the investment objective is to reflect the difficulty of trying to increase dividends by more than the rate of inflation in the short term given the existing dividend levels and the current high levels of inflation. The modification to the investment policy is to reflect Majedie's proposed further investments in Javelin Capital and in funds managed by Javelin Capital.

Currently, the Company's investment objective is *"to maximise total shareholder return over the long term whilst increasing dividends by more than the rate of inflation"*. The Board expects that a significant proportion of the current year's dividends will be funded from the Company's revenue reserves rather than from current year income. It is highly unlikely that the Company will be able to increase dividends in the short term by more than current rates of inflation and the Company's ability to do this will be increasingly challenged if the current inflationary and investment return environments persist.

However, the Board wishes to keep the objective to increase dividends by more than the rate of inflation as a long term investment objective. Accordingly the Board is proposing that the Company's investment objective will change to *"to maximise total shareholder return whilst increasing dividends by more than the rate of inflation over the long term."*

Although the Company does not propose to make any further investments in Majedie Asset Management Limited or in Javelin Capital (other than the Capital Contribution), Majedie may invest in future funds launched by Javelin Capital. In particular, as set out above, Majedie intends to invest £15 million in the Emerging Markets Alpha (UCITS) fund which Javelin Capital proposes to launch in July 2011. Accordingly, your Board is proposing that the investment policy will be changed to permit these investments, as set out below.

Under the Listing Rules, the Company is required to seek the approval of Shareholders for any material change to its investment objective and investment policy. The specific reasons why the Board believes that the proposed modification to the Company's investment objective and policy is in the best interests of Shareholders as a whole and further information relating to the proposed changes are set out below.

Company's existing investment objective and policy

Investment Objective

The Company's investment objective is to maximise total shareholder return over the long term whilst increasing dividends by more than the rate of inflation.

Investment Policy

The Company's investment policy is as follows:

"The Company invests principally in securities of public quoted companies worldwide, though it may invest in unquoted securities up to levels set periodically by the Board. This can include products managed by Javelin Capital LLP, its investment manager.

The overall approach is based on an analysis of global economies and sector trends with a focus on companies and sectors judged likely to deliver strong growth over the long term. The number of investments held, together with the geographic and sector diversity of the portfolio, enable the Company to spread its risks with regard to liquidity, market volatility, currency movements and revenue streams. The Board has imposed a number of restrictions on investment by the investment manager, the key elements of which include that the Company will not invest in any holding that would, at the time of investment, represent more than 15 per cent. of the value of its gross assets.

The Company uses gearing currently via long term debentures. The Articles of Association give the Board the ability to borrow up to 100 per cent. of adjusted capital and reserve. The Board also reviews the level of net gearing (borrowings less cash) on an ongoing basis and sets a range at its discretion as appropriate. The Company's current debenture borrowings are limited by covenant to 66 2/3 per cent., and any additional indebtedness is not to exceed 20 per cent., of adjusted capital and reserve.

The assets of the Company are split into four major groups. These are the Core Portfolio, funds managed by Javelin Capital LLP, and the Company's investments in Majedie Asset Management Limited and Javelin Capital LLP.

The Company does not have one overall benchmark, rather each distinct group of assets is viewed independently. For the actively managed Core Portfolio the benchmark comprises 70 per cent. FTSE All-Share Index and 30 per cent. FTSE World ex-UK Index (Sterling) on a total returns basis. Any investments made into Javelin Capital LLP products are measured against the relevant fund benchmark as contained in the fund's prospectus. It is important to note that in all cases investment decisions and portfolio construction are made on an independent basis. The Board however sets various specific portfolio limits for stocks and sectors in order to restrict risk levels.

Although exceptionally, derivative instruments may be employed, usually for hedging purposes and with specific prior approval of the Board, generally the Company is a long only investor and would be unlikely to use such instruments.

The Company will not invest in any holding that would, at the time of investment, represent more than 15 per cent. of the value of its gross assets."

Company's new investment objective and policy

As noted above, the Board proposes to modify the Company's investment objective and policy to state as follows:

Investment Objective

The Company's investment objective is to maximise total shareholder return whilst increasing dividends by more than the rate of inflation over the long term.

Investment Policy

General

The Company invests principally in securities of publicly quoted companies worldwide and in funds managed by Javelin Capital LLP, though it may invest in unquoted securities up to levels set periodically by the Board, including its investment in Majedie Asset Management Limited. Investments in unquoted securities, other than those managed by Javelin Capital, (measured by reference to the Company's cost of investment) will not exceed 10 per cent. of the Company's gross assets.

Risk diversification

Whilst the Company will at all times invest and manage its assets in a manner that is consistent with spreading investment risk, there will be no rigid industry, sector, region or country restrictions.

The overall approach is based on an analysis of global economies sector trends with a focus on companies and sectors judged likely to deliver strong growth over the long term. The number of investments held, together with the geographic and sector diversity of the portfolio, enable the Company to spread its risks with regard to liquidity, market volatility, currency movements and revenue streams.

The Company will not invest in any holding that would, at the time of investment, represent more than 15 per cent. of the value of its gross assets.

The Company may utilise derivative instruments including index-linked notes, contracts for difference, covered options and other equity-related derivative instruments for efficient portfolio management and investment purposes.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Company's direct investments, as described above.

Asset allocation

The assets of the Company are split into four major groups. These are the Core Portfolio, funds managed by Javelin Capital LLP, and the Company's investments in Majedie Asset Management Limited and Javelin Capital LLP.

Benchmark

The Company does not have one overall benchmark, rather each distinct group of assets is viewed independently. For the actively managed Core Portfolio the benchmark comprises 70 per cent. FTSE All-Share Index and 30 per cent. FTSE World ex-UK Index (Sterling) on a total return basis. Any investments made into Javelin Capital LLP products are measured against the relevant fund benchmark as contained in the fund's prospectus. It is important to note that in all cases investment decisions and portfolio construction are made on an independent basis. The Board however sets various specific portfolio limits for stocks and sectors in order to restrict risk levels from time to time, which remain subject to the investment restrictions set out in this section.

Gearing

The Company uses gearing currently via long term debentures. The Board has the ability to borrow up to 100 per cent. of adjusted capital and reserves. The Board, also reviews the level of net gearing (borrowings less cash) on an ongoing basis and sets a range at its discretion as appropriate. The Company's current debenture borrowings are limited by covenant to 66 2/3 per cent., and any additional indebtedness is not to exceed 20 per cent., of adjusted capital and reserves.

Investment restrictions

For the avoidance of doubt, as a listed investment trust, the Company will also continue to comply with the following restrictions on its investment and other operations:

Listing Rules

If and for so long as required by the Listing Rules in relation to closed-ended investment companies, the Company will comply with the following investment and other restrictions:

- the Company will at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy;
- the Company will not conduct any trading activity which is significant in the context of the Company (or, if applicable, its group as a whole); and
- not more than 10 per cent. in aggregate of the value of the total assets of the Company at the time the investment is made will be invested in other closed-ended investment funds which are listed on Official List (except to the extent that those funds have published investment policies to invest no more than 15 per cent. of their total assets in other investment companies which are listed on the Official List).

Investment trust status

In order to gain approval as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010, the Company is required to operate under certain constraints. These include the following limits on investments and operations:

- no single investment may exceed 15 per cent. of the Company's investments at the time of investment;
- the Company may not retain more than 15 per cent. of its eligible investment income;
- at least 70 per cent. of income must be eligible investment income, consisting of income derived from shares and securities or eligible rental income, but not bank deposit income; and
- the Company may not distribute capital profits by way of dividend.

These rules are currently under review and updated draft legislation was published in May 2011.

Benefits of the Proposals

The Board believes that the Capital Contribution and the entering into of the Revised LLP Agreement are in the best interests of Shareholders as a whole for the following reasons:

- the Board has confidence in the Javelin Capital investment team and believes that the Capital Contribution will enable Javelin Capital to develop into a high quality specialist fund management group which can create significant value for Majedie and its Shareholders;
- in the absence of the Capital Contribution, Javelin Capital will continue to fail its regulatory capital requirements and would have insufficient funds to enable it to continue to trade. The Company would therefore be forced to write off its existing investment in Javelin Capital, would lose the potential future value in Javelin Capital and would need to make new investment management arrangements in respect of its assets;
- the success of Javelin Capital is likely to be a material factor in Majedie achieving its proposed investment objective to increase dividends in excess of inflation over the long term. In the absence of the Capital Contribution, Javelin would be unable to continue to trade, and without the potential for future value creation in Javelin Capital, it is likely that Majedie would need to review its dividend policy and investment objective;
- in making the Capital Contribution, the immediate future of Javelin Capital will be secured, thereby providing continuity of management of the Company's assets and the assets of the Global Equity Strategies Fund in which the Company has made a significant investment. The Board intends that the Capital Contribution will fund Javelin Capital until it reaches profitability. In doing so, the Board's aim is to seek to repeat Majedie's success in sponsoring Majedie Asset Management Limited;
- the Revised LLP Agreement will increase both the Company's percentage interest in Javelin Capital and the overall return to Majedie, as the proportion of Javelin Capital's income to be distributed to its partners increases, and therefore should more appropriately reflect the Company's investment in Javelin Capital following the Capital Contribution;
- the ability to invest in the Javelin Capital funds should enable Majedie to deliver lower risk capital returns and reduce the volatility inherent in its equity portfolio. This is particularly important given the significant fixed annual debenture interest charge that the Company is subject to; and
- if Javelin Capital is successful, Majedie should be able to utilise its existing tax losses against future income derived from Javelin Capital. Majedie's tax losses are not currently utilised.

The Board believes that the proposed modification to the Company's investment objective is in the best interests of Shareholders as a whole for the following reasons:

- the Company's current dividend payments are high compared with its net assets. The Board is mindful of the importance of the Company's dividends to Shareholders. However, a substantial proportion of the Company's current year dividends will be funded from the Company's revenue reserves and it will be difficult to increase the Company's income in excess of inflation in the current investment and inflationary environments. Accordingly, meeting the existing dividend objective in the short term may result in an ongoing diminution in the Company's net assets as dividends are funded from reserves rather than from current earnings; and
- trying to meet the existing dividend investment objective may also result in the Company's investment manager achieving lower capital returns than it might otherwise achieve as the investment manager would potentially be obliged to focus on a narrower range of higher income producing investments. The modification to the investment objective should give the investment manager the ability to invest in a wider range of stocks which may allow the Company to maximise total shareholder return.

The Board believes that the proposed modification to the Company's investment policy is in the best interests of Shareholders as a whole for the following reasons:

- the funds managed by Javelin Capital are expected to be uncorrelated or negatively correlated to the Core Portfolio, and investment in these funds should therefore spread the Company's investment risk while furthering its investment objective. The Global Equity Strategies Fund is an absolute return fund which should deliver lower risk capital growth than investment in the Core Portfolio. Investment in the Emerging Markets Alpha (UCITS) fund, which is intended to benefit from investment opportunities within emerging markets equities whilst limiting exposure to downside risk, should further spread the Company's investment risk;

- the Company's investment in Majedie Asset Management Limited has been hugely successful. The Board hopes that the establishment of Javelin Capital should provide an additional source of return for Majedie. As Javelin Capital develops new funds in the future, the Company may wish to invest in such funds and the proposed modification will provide the flexibility to do this;
- if and when Javelin Capital launches funds which overlap with the Company's existing Core Portfolio investments, it may be more efficient for the Company to invest through the Javelin Capital fund than through direct investment in the underlying securities; and
- although the Board does not intend to make any significant unlisted investments, other than in Javelin Capital funds, it wishes to retain the ability to make investments in unlisted securities should it be in Majedie's best interests to do so.

Additional considerations and risks relating to the Proposals

Shareholders should be aware of the following considerations and risks relating to the Proposals:

- whilst the Board believes that the Company's investment in Javelin Capital will be repaid in full by the financial year ending 30 September 2015, there can be no guarantee that Javelin Capital will become profitable or be able to repay the Company by this time or at all. Further, the investment by the Company of the Capital Contribution will not guarantee that Javelin Capital will become profitable and there can be no certainty that Javelin Capital will trade in accordance with its budget. The efforts of Javelin Capital's management team and their ability to attract external investment in Javelin Capital's funds will be critical to Javelin Capital's ultimate success or failure. Javelin Capital may not attract sufficient external funds to become and remain profitable, or to justify the Company's continuing investment in Javelin Capital. Even if Javelin Capital does attract sufficient external funds to become profitable, the retention of external funds will depend on Javelin Capital's continued investment performance. The Company may have to write-off some or all of its investment in Javelin Capital, including the Capital Contribution;
- in the event that the Capital Contribution is not approved, Javelin Capital will continue to fail to meet its regulatory capital requirements in accordance with the FSA's rules. This may result in Javelin Capital having its permissions from the FSA which allow it to conduct investment management business revoked. This would materially and adversely impact the value of the Company's investment in Javelin Capital. It may result in a forced realisation of assets managed by Javelin Capital in which the Company may be invested and which may materially and adversely impact the value of the Company's investment in those funds;
- the ability of Javelin Capital to continue to comply with its regulatory requirements will also depend on the efforts of Javelin Capital's management team, its future performance and any changes to the regulatory regime;
- in the event the Capital Contribution is not approved, Javelin Capital will be unable to meet its working and operating capital requirements. In the event of Javelin Capital becoming insolvent, the Company would be required to review its management arrangements which may materially and adversely impact investment performance. Further, the Company's current investment in Javelin Capital would be written off in such circumstances;
- the Company's revised investment objective will be to maximise total shareholder return while increasing dividends by more than the rate of inflation over the long term. The Emerging Markets Alpha (UCITS) fund will deliver investment returns by way of capital increase rather than through income distributions and the Board do not expect that Javelin Capital will deliver significant income returns in the short term. Accordingly, both the Capital Contribution and the proposed investment in Emerging Markets Alpha (UCITS) fund will reduce the Company's total investment in income-producing assets. The Board expects that a significant proportion of the dividend for the current financial year will be funded from the Company's revenue reserves, and the Company's ability to increase dividends by more than the rate of inflation will be increasingly challenged if the current inflation and investment return situations persist. The Board does not intend that the Capital Contribution or the modification to the investment policy will have any immediate effect on Majedie's dividend policy. However, Majedie's ability to maintain or increase dividends by more than the rate of inflation in the long term is likely to depend on the success of Javelin Capital. If Javelin Capital can establish itself as a successful business, the Company's net assets and its income generating base should increase significantly, which the Board believes will allow it to resume paying dividends from current income over the long term as well as meeting its modified investment objective. If

Javelin Capital cannot establish itself as a successful business, it is likely that the Board would need to consider further amending the investment objective in relation to the payment of dividends;

- Javelin Capital is unlisted. The Company may not be able to realise, within a period which it would otherwise regard as reasonable, its investment in Javelin Capital and any such realisation that may be achieved may be at a considerably lower price than the Company's valuation of its investment in Javelin Capital;
- it is not currently envisaged that Javelin Capital will distribute income for the foreseeable future. Further, it is not currently expected that the Global Equity Strategies Fund or the Emerging Markets Alpha (UCITS) fund will distribute any income by way of dividend to the Company. As such, investments in Javelin Capital, the Global Equity Strategies Fund or the Emerging Markets Alpha (UCITS) fund represent non-income producing investments. This may impact the Company's ability to increase or maintain its current level of dividends and/or may require the Company to pay uncovered dividends out of its revenue reserve;
- unrealised gains on investments in unlisted securities are not recognised for the purposes of calculating cover under the terms of the Debentures and losses on such unlisted investments are calculated by reference to the book value of such assets in the consolidated accounts of the Group; and
- the success of Javelin Capital is dependent on its investment management personnel. The loss of key personnel from the business may have a material adverse effect on its ability to carry out its business because it may result in the loss of their technical and management skills, as well as their industry knowledge and contacts. As a result, the loss of such highly skilled personnel could have a material adverse effect on Javelin Capital's operations, results of operations and/or financial condition and consequently on the value of the Company's investment in Javelin Capital.

Approval of the Proposals

As Javelin Capital is a related party of Majedie for the purposes of the Listing Rules, the Capital Contribution and the entering into of the Revised LLP Agreement require Shareholder approval.

The Listing Rules further require Shareholder approval for any material change to the Company's investment policy. Accordingly, the making of the Capital Contribution and the entering into of the Revised LLP Agreement and the modification to the Company's investment objective and investment policy are subject to the Resolutions being passed, in each case as ordinary resolutions.

The Resolutions are not inter-conditional and, should one fail to be passed, this will not prevent the other from either being proposed or approved.

Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. If you are a Shareholder, whether or not you intend to be present at the meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon and to return it as soon as possible and in any event so as to be received by the Registrar no later than 11.00 a.m. on 27 June 2011. Completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person if you wish to do so (and are so entitled).

Recommendation

The Board considers that the Proposals are in the best interests of Shareholders as a whole.

The Board, having been so advised by Cenkos Securities, considers the Proposals to be fair and reasonable so far as the Shareholders are concerned. In providing its advice to the Board, Cenkos Securities has taken into account the Board's commercial assessments. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings, representing 1.39 per cent. of voting rights.

Andrew J Adcock

Chairman

PART II – SUMMARY OF PROPOSED CHANGES TO THE LLP AGREEMENT

It is proposed that the LLP Agreement (as summarised in paragraph 3.1 of Part III below) be amended and restated to reflect the Capital Contribution. The Revised LLP Agreement that will be entered into if the Resolution is passed will amend the terms of the LLP Agreement as follows:

- Majedie will agree to invest the Capital Contribution, of which £2.5 million will be invested as soon as practicable following approval by Shareholders and the balance may be invested at the Board's discretion if the Board is satisfied that Javelin Capital requires further funding for its ongoing operating and working capital requirements (including regulatory capital requirements).
- The Unit Trust Profit Share shall be increased such that the Unit Trust shall be entitled to receive an allocation of LLP Profits equal to the sum of the Initial Capital Contribution and the Increased Commitment, plus interest on such sum at the rate of LIBOR plus 5 per cent. prior to any distribution of Residual Profits.
- For the period from (and including) 31 August 2010, the Unit Trust's allocation of Residual Profits shall be increased from 70 per cent. to 75 per cent. of Residual Profits (and, in each case, the Individual Members shall be entitled to receive the remaining 25 per cent. of such Residual Profits). The Unit Trust's entitlement to participate in Residual Profits shall reduce (and the Individual Members' entitlements shall increase accordingly) upon the following conditions being satisfied:
 - (a) upon the Unit Trust receiving, in aggregate, (i) the Unit Trust Profit Share and (ii) distributions of Residual Profits that are equal, in aggregate, to the Increased Commitment plus interest on such sum at a rate of LIBOR plus 5 per cent. accruing during the period from (and including) the date on which the Unit Trust receives the Unit Trust Profit Share until the date on which it receives such share of Residual Profits, the Unit Trust's entitlement will reduce to 65 per cent. of the Residual Profits; and
 - (b) upon the Unit Trust receiving (following the date on which it receives the allocations of LLP Profit specified in (a)(ii) above) further distributions of Residual Profits that are equal, in aggregate, to the Increased Commitment plus interest on such sum at a rate of LIBOR plus 5 per cent. accruing during the period from (and including) the date on which the Unit Trust receives the allocations of Residual Profit referred to in (a)(ii) above until the date on which it receives such further allocations of Residual Profits, the Unit Trust's entitlement will reduce to 55 per cent. of the Residual Profits.
- Once Javelin Capital becomes profitable, the aggregate amount of LLP Profit (after adding back total salaries, bonuses and other benefits due to employees) that may be used to satisfy the aggregate of all Priority Profit Shares, Performance Fee Profit Share, Bonus Profit Shares and salaries, bonuses and other benefits paid to members or employees of Javelin Capital (or any of Javelin Capital's subsidiaries) shall be limited to:
 - (a) 20 per cent. of such adjusted profit in respect of the first accounting year in which Javelin Capital becomes profitable;
 - (b) 30 per cent. of such adjusted profit in respect of the accounting year immediately following the accounting year in which Javelin Capital becomes profitable;
 - (c) 40 per cent. of such adjusted profit in respect of the accounting year immediately following the accounting year referred to in (b) above; and
 - (d) 45 per cent. of such adjusted profit in respect of each accounting year thereafter(as compared to a restriction of 55 per cent. of LLP Profit in respect of each accounting year currently). However, in respect of the first four years following the launch of each fund, Performance Fee Profit Share and bonuses that are linked to performance fees received by Javelin Capital shall not be subject to the above restrictions and shall instead be distributed or paid (as the case may be) in accordance with the below.
- The entitlement of the Individual Members and the employees of Javelin Capital to participate in performance fees received by Javelin Capital (whether by way of Performance Fee Profit Share or by way of employee bonuses) shall be reduced from:
 - (a) 100 per cent. to 90 per cent. of such fee received in respect of the first year following the launch of the fund to which the performance fees are attributable;

- (b) 85 per cent. to 75 per cent. of such fee received in respect of the second year following the launch of the fund to which the performance fees are attributable;
- (c) 70 per cent. to 60 per cent. of such fee received in respect of the third year following the launch of the fund to which the performance fees are attributable; and
- (d) 55 per cent. to 45 per cent. of such fee received thereafter.

An amount equal to the remainder of any such fee shall be available (to the extent that there are sufficient LLP Profits in such accounting year) for distribution to either (i) the Unit Trust (as part of the Unit Trust Profit Share) or (ii) (to the extent that the Unit Trust has received its entitlement to the Unit Trust Profit Share in full) to satisfy any LLP Loss carried forward (as referred to below) or (iii) (to the extent that such carried forward LLP Losses have been satisfied in full) to the members pursuant to their respective entitlements to participate in Residual Profits as outlined above.

- The Individual Members will be required to invest at least 50 per cent. of their aggregate Performance Fee Profit Share and Bonus Profit Share (compared to 25 per cent. currently) in each year in either the Global Equity Strategies Fund and/or the Emerging Markets Alpha (UCITS) fund (or any other products that Javelin Capital launches in the future). Each such investment shall be subject to a two year lock-in period.
- Any LLP Loss shall be carried forward as a charge against LLP Profit accruing in future accounting years of Javelin Capital. After the Unit Trust has received its entitlement to the Unit Trust Profit Share in full, any Residual Profit available for distribution to the members shall first be applied against such losses and only once such loss balances have been reduced to zero shall Javelin Capital be entitled to make any distributions of Residual Profits to members.

Other than as stated above, the remaining terms of the LLP Agreement shall be incorporated in the Revised LLP Agreement without material amendment.

PART III – ADDITIONAL INFORMATION

1. Company Information

- 1.1 The Company was established and incorporated in England and Wales in 1910. The original business of the Company was the ownership of rubber estates in Malaysia. The Company is an investment company under section 833 of the Companies Act 2006. HM Revenue & Customs has confirmed that the Company is an investment trust for taxation purposes under section 1158 of the Corporation Tax Act 2010 in respect of the year ended 30 September 2010. The Company intends that its income will consist wholly or mainly of eligible investment income as defined in section 1158 of the Corporation Tax Act 2010 and will seek approval from HM Revenue & Customs in respect of its most recent accounting period.
- 1.2 The Company's objective is to maximise total shareholder return over the long term whilst increasing dividends by more than the rate of inflation. The Company intends that its income will be derived mainly from shares or other securities.
- 1.3 The Company is the holding company of Majedie Portfolio Management Limited, the Majedie Unit Trust, Javelin Capital, Javelin Capital Services Limited and Javelin Capital Fund Management Limited. Each such entity is registered in England (with the exception of Javelin Capital Fund Management Limited which is incorporated and registered in the Republic of Ireland) and wholly owned (with the exception of Javelin Capital, in which the Individual Members have members' interest), but none of which is material to the Company.
- 1.4 The names of the directors of the Company are:
- Andrew Adcock (*Chairman*)
Christopher Arnheim
William Barlow
Paul Gadd
Hubert Reid

2. Major Shareholders

- 2.1 As at 3 June 2011 (being the latest practicable date prior to the publication of this circular) the Company had been notified of the following persons who were directly or indirectly interested in three per cent. or more in the share capital of the Company:

Shareholder	No of Shares as at 3 June 2011	% of issued Shares as at 3 June 2011
H S Barlow	15,630,703	29.76
The AXA Group	7,103,119	13.52
M H D Barlow	4,081,828	7.77
J W M Barlow	2,573,248	4.90
Sir J K Barlow	3,368,728	6.41
G B Barlow	1,860,270	3.54
Miss A E Barlow	1,784,948	3.40

- 2.2 None of the Company's Shareholders has voting rights attached to the Shares they hold different to the voting rights attached to other shares of the same class of Shares in the Company.
- 2.3 Save as set out in paragraph 2.1, the Company is not aware of any person who directly or indirectly, jointly or severally, exercises or, immediately following the Proposals becoming effective, could exercise control over the Company.

3. Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group (a) in the two years immediately preceding the date of this document and are, or may be, material to the Group; or (b) contain provisions under which any member of the Group has any obligation or entitlement which is material to the Group as the date of this document; to the extent that, in each case, such contracts contain information which the

Shareholders would reasonably require to make a properly informed assessment of how vote on the Resolutions.

3.1 The LLP Agreement

On 31 August 2010, the Company entered into a limited liability partnership deed with, *inter alia*, the Unit Trust, the Individual Members and the EBT, in relation to the management of Javelin Capital. The Unit Trust is wholly-owned by the Company and Majedie Portfolio Management Limited (a wholly-owned subsidiary of the Company) and is a member of Javelin Capital so that the Company may participate (indirectly) in income profits generated by Javelin Capital. On completion of the LLP Agreement, Majedie made an aggregate capital contribution to Javelin Capital of £4.5 million (being the Initial Capital Contribution) and each of the Individual Members made a capital contribution of £5,000 each.

The Company has the power to manage and control the business affairs of Javelin Capital by (i) being able to appoint (and remove) a Managing Member (the current Managing Member is Victor Pina), (ii) the right to control, for as long as any amount of the Aggregate Commitment remains outstanding, the management board of Javelin Capital, (iii) the right to veto certain actions of Javelin Capital that are deemed to be “strategic developments”, and (iv) the right to make other decisions that are reserved specifically to the Company under the terms of the LLP Agreement (such as the right to require that Javelin Capital cease trading and be wound-up).

Any LLP Profit shall be distributed amongst the members as follows: (i) first, to each Individual Member, such Individual Member’s Priority Profit Share (ii) secondly, to the Individual Members in such amount as the Managing Member may decide but subject to Javelin Capital having received the Performance Fee Profit Share (iii) thirdly, to the Individual Members, the Bonus Profit Share (subject to the Company having consented to such additional share) (iv) fourthly, to the Unit Trust, the Unit Trust Profit Share (and receipt of such allocation in full by the Unit Trust is deemed to be a repayment of the Aggregate Commitment); and (v) finally, any Residual Profits to be allocated amongst the Unit Trust and the Individual Members.

The allocation of Residual Profits between the Unit Trust on the one hand and the Individual Members on the other, is subject to a ratchet mechanism which will decrease the share of such Residual Profits allocated to the Unit Trust (and correspondingly increase the allocation of such Residual Profits to the Individual Members) as follows:

- (i) until such time as Javelin Capital is determined to have assets under management (excluding those assets beneficially owned by the Company) of £175 million or more, the Unit Trust shall be entitled to be allocated 70 per cent. of the Residual Profits;
- (ii) for the period from (and including) the end of the calendar month in which the condition in (i) is deemed to be satisfied until the date on which Javelin Capital’s aggregate fee income exceeds its aggregate expenditure, the Unit Trust shall be entitled to be allocated 68 per cent. of the Residual Profits;
- (iii) for the period from (and including) the end of the calendar month in which the condition in (ii) is deemed to be satisfied until the date on which the LLP has Residual Profits in excess of £1.15 million, the Unit Trust shall be entitled to be allocated 65 per cent. of the Residual Profits;
- (iv) for the period from (and including) the end of the calendar month in which the condition in (iii) is deemed to be satisfied until the date on which the LLP has Residual Profit in excess of £2.5 million, the Unit Trust shall be entitled to be allocated 63 per cent. of the Residual Profits;
- (v) for the period from (and including) the end of the calendar month in which the condition in (iv) is deemed to be satisfied until the date on which the Unit Trust Profit Share has been received in full by the Unit Trust, the Unit Trust shall be entitled to be allocated 60 per cent. of the Residual Profits;
- (vi) for the period from (and including) the end of the calendar month in which the condition in (v) is deemed to be satisfied until the date on which the LLP has Residual Profits in excess of £4 million, the Unit Trust is entitled to be allocated 56 per cent. of the Residual Profits; and
- (vii) for the period from (and including) the end of the calendar month in which the condition in (vi) is deemed to be satisfied until the date on which a Sale occurs or the LLP ceases business, the Unit Trust shall be entitled to be allocated 51 per cent. of the Residual Profit.

Such allocations shall be made on the basis of the monthly management accounts prepared on behalf of Javelin Capital and shall be allocated on the basis that the Residual Profits accrue rateably throughout the relevant accounting periods. The management board of Javelin Capital may, in its discretion, retain amounts of the Residual Profits allocated to each of the members to fund regulatory and/or working capital requirements.

The aggregate of all Priority Profit Shares, Performance Fee Profit Share and Bonus Profit Shares and salaries, bonuses and other benefits paid to employees of the LLP (or any of the LLP's subsidiaries) is limited to 55 per cent. of the LLP Profit in any accounting year (after having added back the costs of salaries, bonuses and other benefits due to employees). However, until 30 September 2014, payments of Performance Fee Profit Share to Individual Members (and bonuses payable to Javelin Capital's employees that derive from performance fees received by Javelin Capital) which derive from performance fees received by Javelin Capital, are not subject to the restriction referred to above. Accordingly, the Individual Members and employees of the LLP are entitled to receive (in aggregate) an amount equal to (i) 100 per cent. of such fees received in respect of the fund accounting year ending 30 September 2011, (ii) 85 per cent. of such fees received in respect of the fund accounting year ending 30 September 2012; (iii) 70 per cent. of such fees received in respect of the fund accounting year ending 30 September 2013 and (iv) 55 per cent. of such fees received in respect of all fund accounting periods thereafter (subject to the restriction referred to above with effect from the accounting year commencing 1 October 2014). An amount equal to the remainder of any such fee shall be available (to the extent that there are sufficient LLP Profits in such accounting year) for distribution to the Unit Trust (as part of the Unit Trust Profit Share) or (to the extent that the Unit Trust has received its entitlement to the Unit Trust Profit Share in full) to the members pursuant to their respective entitlements to participate in Residual Profits. The Individual Members are also required to invest in products launched by Javelin Capital an amount equal to 25 per cent. of the aggregate of their respective Performance Fee Profit Share and Bonus Profit Share in each accounting year.

In the event that Javelin Capital incurs an LLP Loss or there is insufficient trading profit to allocate the aggregate of all Priority Profit Shares and/or Performance Fee Profit Shares as described above, the Individual Members are still entitled to draw such amounts but this will be done by way of advances to each such member on account of future entitlements to profit which will be repaid using future allocations of Residual Profits made to such member. Furthermore, in the event that an LLP Loss occurs, such loss shall be allocated between the Unit Trust on the one hand and the Individual Members on the other, in the same way as Residual Profits are to be allocated to each such members.

If the Company receives an offer for a Sale, it can force the other members to sell their aggregate interests to the offeror unless the Individual Members (acting together) make an equivalent offer. In such case the Company shall accept the offer made by the Individual Members. In the event of a Sale or winding-up of Javelin Capital, capital profits/assets shall be distributed as follows (i) first, to Majedie in amount equal to any interest due on any outstanding amount of the Aggregate Commitment (having taken into account amounts of Unit Trust Profit Share distributed to the Unit Trust) (ii) secondly, to the members in an amount equal to any and all outstanding capital contributions, (iii) thirdly, to the Individual Members and the EBT in an aggregate amount equal to the Unit Trust Profit Share received by the Unit Trust immediately prior to any such Sale or winding-up of Javelin Capital and (iv) finally, any remaining such profits/assets shall be distributed amongst Majedie, the EBT and the Individual Members so as to reflect their entitlements to share in Residual Profits immediately prior to such winding-up or Sale.

If a member leaves Javelin Capital, for any reason, such member shall be entitled to receive an amount equal to his capital contribution, subject to certain regulatory requirements. Following the relevant accounts being determined for the accounting year in which the relevant member leaves, "good leavers" shall also be entitled to withdraw amounts standing to the credit of their member current account (including any amounts of LLP Profits that they have been allocated but have not yet been received) and to receive a pro-rata allocation of LLP Profits accruing up until the relevant member's departure date. In the event that, at the time a member leaves, such member has a debit balance in their member's current account, such member will be required to repay such debit balance at the discretion of the Company.

Departing members shall not be entitled to retain any of their interests in the LLP except that, in some circumstances (where such member is a good leaver), certain retiring members may be

entitled to retain their interest in any future capital realisation (subject to certain vesting criteria being satisfied).

3.2 The Investment Management Agreement

The Company and Javelin Capital entered into the Investment Management Agreement Javelin Capital on 31 August 2010, pursuant to which Javelin Capital agreed to provide to the Company with certain investment management services in respect of the Company's portfolios of assets.

The Company has agreed to pay a management fee to Javelin Capital for the provision of such services, calculated as follows:

- (i) 0.70 per cent. per annum of the DPV where the aggregate of the Chargeable Assets is £125 million or less;
- (ii) 0.60 per cent. per annum of the DPV where the value of the Chargeable Assets is in excess of £125 million but less than £175 million;
- (iii) 0.50 per cent. per annum of the DPV where the value of the Chargeable Assets is in excess of £175 million but less than £225 million; and
- (iv) 0.40 per cent. per annum of the DPV where the value of the Chargeable Assets is in excess of £225 million or more.

Such fees are payable monthly and are calculated as of the last business day of each month.

In addition, Javelin Capital is entitled to receive a performance fee in respect of the investment performance of the Company's "Core Portfolio". Any such fee, which is calculated and paid annually, is 10 per cent. of the arithmetically determined mean out-performance of such portfolio as against its benchmark (70% FTSE All-Share Index and 30% FTSE World ex UK Index (sterling)), as calculated on a rolling three year total return basis. In respect of periods for which three years relative performance is not available (for instance at the commencement of Javelin Capital's duties as investment manager to the Company or in the event that such appointment is terminated) such relative performance is deemed to match that of the benchmark in respect of such periods. In the event of termination, the calculation is completed to the date of termination with the fee, if any, being due at that time. Furthermore, Javelin Capital is entitled to receive a performance fee from the Company in respect of any investment made by the Company in any funds established by Javelin Capital from time to time on the same basis set out in the prospectus (or other offering document as the case may be) relating to such funds.

The Investment Management Agreement will continue unless and until terminated by either party giving to the other not less than 6 months' written notice expiring no earlier than the third anniversary of the Investment Management Agreement. The Investment Management Agreement may, however, be terminated forthwith by Javelin Capital on giving to the Company notice if so required by any competent regulatory authority. The Investment Management Agreement may also be terminated forthwith upon a material breach of the Investment Management Agreement which is not remedied within 21 days of notice of such breach having been served upon the relevant party or if either party is declared insolvent.

Javelin Capital may, with the prior written consent of the Board (not to be unreasonably withheld), assign its rights under the Investment Management Agreement to any other company which is either the holding company for the time being of Javelin Capital or a subsidiary of such holding company. In the event that such holding company or subsidiary ceases to be a member of the Company's Group, such holding company or subsidiary (as the case may be) shall be obliged to transfer any such rights so transferred to Javelin Capital.

4. Miscellaneous

- 4.1 Cenkos Securities has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of references to its name in the form and context in which they appear.
- 4.2 There has been no significant change in the trading or financial position of the Company since 31 March 2011, being the date to which the latest interim financial results (which have not been audited) of the Company were prepared.
- 4.3 The total costs and expenses relating to the Proposals (including professional advisers' fees) that will be payable by the Company are expected to be approximately £138,000 (including VAT).

5. Documents available for inspection

- 5.1 Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA up to and including the date of the General Meeting:
- (a) the Articles;
 - (b) a draft of the Revised LLP Agreement showing the changes made to the LLP agreement;
 - (c) a draft of the Company's proposed new investment objective and investment policy, showing the changes made to the Company's existing investment objective and investment policy;
 - (d) the consent letter referred to in paragraph 4.1 of this Part IV; and
 - (e) this Circular.
- 5.2 Copies of this circular are available for viewing, free of charge during normal business hours, at the National Storage Mechanism (which has replaced the UK Listing Authority's Document Viewing Facility) (www.hemscott.com/nsm.do) and at the Company's registered office at Tower 42, 25 Old Board Street, London EC2N 1HQ.

DEFINITIONS

The following definitions apply throughout this circular, unless the context otherwise requires:

“Aggregate Commitment”	the aggregate of the Initial Capital Contribution and any other capital contributions made, or loans advanced, to Javelin Capital by the Company or any subsidiary of the Company
“Alpha”	a risk-adjusted measure of the active return on an investment, which may also be expressed as the return in excess of the market risk borne
“Articles”	the articles of association of the Company currently in force at the date of this Circular
“Beta”	the measure of the correlated volatility of any investment relative to the entire market
“Board” or “Directors”	the Directors of the Company as at the date of this Circular whose names are set out on page 3 of this Circular
“Bonus Profit Share”	the allocation of LLP Profit to be made to the Individual Members as notified by the Managing Member annually, after all allocations of Priority Profit Share and Performance Fee Profit Share have been made to Individual Members in full as more particularly summarised in paragraph 3.1 of Part III above
“Capital Contribution”	means the capital contribution in an amount of up to £3.5 million that the Company intends to undertake to make on the terms of the Revised LLP Agreement
“Cenkos Securities”	Cenkos Securities plc, incorporated in England and Wales with registered number 5210733
“Chargeable Assets”	the DPV of the Company’s assets (other than any investment Majedie Asset Management Limited and any cash or cash equivalents).
“Company” or “Majedie”	Majedie Investments PLC, incorporated in England and Wales with registered number 109305
“Core Portfolio”	the Company’s portfolio comprising holdings in large-cap UK and international stocks and a small number of carefully selected mid-cap companies, managed under an equity income investment mandate
“Debentures”	the Company’s 9.5% Debenture Stock 2020 and 7.25% Debenture Stock 2025 (constituted and secured by a trust deed dated 1 September 1994 (as amended) entered into in favour of Royal Exchange Trust Company Limited, acting in its capacity as security trustee
“DPV”	the value of each of the Company’s portfolios of assets (such value to be calculated by aggregating the value of equities, transferable securities, cash, amounts owing for trade settlements, dividends receivable and any other investment asset attributable to such portfolios)
“EBT”	The Javelin Capital Employee Benefit Trust, which holds certain interests in Javelin Capital for the benefit of Javelin Capital’s employees
“Emerging Markets Alpha (UCITS)”	the Javelin Capital Emerging Markets Alpha, a UCITS-compliant fund proposed to be launched by Javelin Capital in July 2011
“FSA”	being the United Kingdom Financial Services Authority, the single regulatory authority for the United Kingdom financial services industry, and any replacement body

“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company to be held on 29 June 2011, notice of which is set out at the end of the Circular
“Global Equity Strategies Fund”	the Javelin Capital Global Equity Strategies Fund, Javelin Capital's first product, launched in September 2010
“Group”	Majedie and each of its subsidiaries and subsidiary undertakings
“Increased Commitment”	the amount of the Capital Contribution that the Company invests in Javelin Capital from time to time
“Individual Members”	Richard Mace, Victor Pina, Nicholas Rundle and Steven Asprey
“Initial Capital Contribution”	the initial capital contribution of £4.5 million invested by the Company into Javelin Capital on 1 September 2010
“Javelin Capital”	Javelin Capital LLP
“Listing Rules”	the listing rules of the Financial Services Authority
“LLP Agreement”	the limited liability partnership deed relating to Javelin Capital dated 31 August 2010 and summarised in paragraph 3.1 of Part III above
“LLP Loss”	annual loss of Javelin Capital (as set out in Javelin Capital's annual accounts)
“LLP Profit”	annual profit of Javelin Capital (as set out in Javelin Capital's annual accounts)
“Managing Member”	the managing member of Javelin Capital appointed by the Company to manage the day to day affairs of Javelin Capital
“Members”	the members of Javelin Capital from time to time, including (without limitation) Majedie and the Individual Members
“Official List”	the Official List of the Financial Services Authority
“Performance Fee Profit Share”	the allocation of LLP Profit payable to Javelin Capital for performance fees in respect of the funds it manages, made after all allocations of Priority Profit Share have been made in full and as more particularly summarised in paragraph 3.1 of Part III above
“Priority Profit Share”	the allocation of LLP Profits notified by the Managing Member to each Individual Member annually
“Proposals”	the proposals described in this Circular to make the Capital Contribution, to enter into the Revised LLP Agreement and to modify the Company's investment objective and investment policy
“Related Party Transaction”	has the meaning given to it in the Listing Rules
“Resolutions”	the resolutions to be proposed at the General Meeting set out in the Notice of General Meeting contained in this Circular
“Residual Profits”	the allocation of LLP Profits to be made to the Unit Trust on the one hand and the Individual Members on the other, after all other allocations of LLP Profit pursuant to the terms of the LLP Agreement have been made in full as more particularly summarised in paragraph 3.1 of Part III above
“Revised LLP Agreement”	the revised limited liability partnership deed relating to Javelin Capital, pursuant to which Majedie will undertake to make the Capital Contribution proposed to be entered into immediately following the passing of the Resolutions between Majedie, the Unit Trust, the Individual Members, the EBT and Javelin Capital
“Sale”	sale of the Company's aggregate member's interests in Javelin Capital

“Shareholders”	the holders of Shares
“Shares”	ordinary shares of 10 pence each in the capital of the Company
“UCITS”	the Undertakings for Collective Investment in Transferable Securities Directives 2001/107/EC and 2001/108/EC
“Unit Trust”	the Majedie Unit Trust, an unauthorised unit trust in which all the units of which are issued to Majedie or its subsidiaries and the trustee of which is the Royal Bank of Scotland Plc
“Unit Trust Profit Share”	the allocation of LLP Profits to be made to the Unit Trust up to an amount equal to the Aggregate Commitment and interest thereon at a rate of LIBOR plus 5 per cent.

NOTICE OF GENERAL MEETING

MAJEDIE INVESTMENTS PLC (THE “COMPANY”)

Registered number: 109305

Notice is hereby given that a General Meeting of Majedie Investments PLC will be held at 11.00 a.m. on 29 June 2011 at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA to consider and, if thought fit to pass, the following resolutions as ordinary resolutions:

1. That the related party transaction constituted by the entering into of the Revised LLP Agreement and the provision of a Capital Contribution of an amount in aggregate of up to £3.5 million to Javelin Capital LLP on the terms summarised in the Chairman's Statement on pages 3 to 11 of the circular dated 6 June 2011 (the “**Circular**”), a copy of which is attached hereto (and the terms defined in such Circular having the same meanings in this resolution), be approved for the purposes of Chapter 11 of the Listing Rules of the Financial Services Authority.
2. That the proposed revised investment objective and policy set out on pages 7 and 8 of the Circular be approved and adopted with immediate effect as the Company's investment objective and investment policy in place of the existing investment objective and investment policy.

BY ORDER OF THE BOARD

Capita Financial Group – Specialist Fund Services

Company Secretary

6 June 2011

Registered Office:
Beaufort House
51 New North Road
Exeter
Devon EX4 4EP

Notes:

When considering what action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or otherwise transferred all your shares in Majedie, you are requested to forward this document and the accompanying documents to the buyer or transferee or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to such buyer or transferee.

Rights to attend and vote

The Company specifies that, in order to have the right to attend and vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company by no later than 48 hours before the time of the meeting (i.e. by 11.00 a.m. on 27 June 2011). Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Proxies

A member entitled to attend and vote may appoint a proxy or proxies who need not be a member of the Company to attend and to vote instead of him or her. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to different shares held by the appointor.

If you choose to use the enclosed form of proxy, to be effective, this instrument, and any power of attorney or other authority under which it is signed (or a copy of any such authority certified notarially or in

some other way approved by the directors) must be deposited with the Company's registrar, Computershare Investor Services PLC, not later than 48 hours before the time of the meeting or adjourned meetings or (in the case of a poll taken more than 48 hours after it is demanded) not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.

If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box provided the number of shares in relation to which they are authorised to act as your proxy. If left blank, your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). To appoint more than one proxy (an) additional proxy form(s) may be obtained by contacting Computershare Investor Services PLC, the Company's registrar by telephone on 0870 707 1159 or +44 870 707 1159 if calling from outside the United Kingdom (Calls to this number cost approximately 8p per minute from a BT landline, other providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m., Monday to Friday) or you may photocopy this form. Please indicate in the box next to the proxy holder's name (see above) 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 the multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

The appointment of a proxy, by instrument in writing or electronically, will not preclude a member so entitled from attending and voting in person at the meeting. If no direction is given, the proxy will vote or abstain at his or her discretion. In the event that you elect to give your proxy discretion on how to vote your shares, and you hold five per cent. or more of the relevant class of share, you will be required to complete a TR1 notification in accordance with DTR 5.2.1 (Disposal of Major Voting Interest).

CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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(s), should refer to their CREST sponsor 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 using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available at www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or the amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by the latest time for receipt of proxy appointments specified above. 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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 person member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) 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 sponsors or voting service providers 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.

Corporate Representatives

Representatives of shareholders that are corporations will have to produce evidence of their proper appointment when attending the general meeting. Please contact our Registrar if you need any further guidance on this.

Nominated Person

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “Nominated Person”), may under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 2 to 5 above does not apply to Nominated Persons. The rights described in such notes can only be exercised by shareholders of the Company.

Limitations of Electronic Addresses

You may not use any electronic address provided in either this Notice of General Meeting or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

Right to Ask Questions

Any shareholder so entitled to and attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

The Address of the Website where Certain Meeting Information is Available

A copy of this notice can be found on the Company’s website at www.majedie.co.uk.