

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt about the contents of this document or about the action you should take you should consult immediately your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your ordinary shares in Baobab Resources plc (“the Company”), please send this document, together with the accompanying Form of Proxy, 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.



BAOBAB RESOURCES PLC

(Registered in England and Wales with company number 5590467)

Notice of Annual General Meeting

A notice of an Annual General Meeting of the Company to be held at Over-Seas House, Park Place, St James Street, London SW1A 1LR United Kingdom on Wednesday, 28 January 2009 at 11.00am is set out at the end of this document.

Holders of ordinary shares in the Company (“Shareholders”) are requested to complete and return the enclosed Form of Proxy to Baobab Resources plc at 49 Phillimore Street, Fremantle WA 6160 Australia or PO Box 1229 Fremantle WA 6959 Australia by 11.00 am on 26 January 2009, whether or not they propose to be present at the Annual General Meeting.

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LETTER FROM CHAIRMAN

BAOBAB RESOURCES PLC

(Registered in England and Wales with company number 5590467)

Directors:

Jeremy Dowler, Non-executive Chairman
Brett Townsend, Acting Managing Director
Ben James, Executive Director
Jonathan Beardsworth, Non-executive Director

Registered Office:

27/28 Eastcastle Street
London W1W 8DH
United Kingdom

To Shareholders and, for information purposes only, Optionholders

NOTICE OF ANNUAL GENERAL MEETING

Dear Shareholder

1 INTRODUCTION

I am writing in connection with the resolutions to be proposed at the forthcoming Annual General Meeting of Baobab Resources plc on Wednesday, 28 January 2009.

2 RESOLUTIONS

The resolutions to be proposed at the Annual General Meeting are set out in full in the notice of meeting attached to this document. The special business to be proposed at the Annual General Meeting is:

- (a) the renewal by the Board of its authority to allot relevant securities:
 - (i) up to an aggregate nominal amount of £1,500,000; and
 - (ii) as if statutory pre-emption rights did not apply to any such allotment,

to provide the Company with sufficient capacity to allot further shares over the relevant period pursuant to, *inter alia*, one or more fundraisings by the Company to raise up to £6,000,000 (in aggregate) to accelerate development of the Company's assets and to meet general working capital requirements (if the Directors consider this appropriate and in the best interests of the Company); and

- (b) to amend the Company's Articles of Association pursuant to the implementation of various provisions of the Companies Act 2006 (the "2006 Act") (see paragraph 4 below).

3 FINANCIAL STATEMENTS

It is proposed that the Directors' and Auditors' reports and the financial statements for the financial year ended 30 June 2008 will be received at the Annual General Meeting. A copy of the Directors' and Auditors' reports and the financial statements are enclosed with this document and available on the Company's website (www.baobabresources.com).

4 AMENDMENT TO ARTICLES OF ASSOCIATION

The provisions of the 2006 Act are in the process of being brought into force with all provisions expected to be in force by 1 October 2009. The Company therefore proposes to adopt new articles of association to incorporate some of the key changes (including procedural changes) introduced by the 2006 Act which are currently (or soon to be) in force and to reflect other recent changes in the law, including:

- (a) to enable proxies to vote on a show of hands, as well as on a poll as currently provided for, and to allow multiple proxies to be appointed (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the shareholder);
- (b) to remove the obligation on Directors of the Company who reach the age of 70 to retire from office at the next annual general meeting; and
- (c) to allow the Directors of the Company to authorise conflicts or potential conflicts of interest, where appropriate.

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act will allow directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The 2006 Act will also allow the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The new articles of association will give the Directors of the Company authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the previous position under the common law.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the company's success. The Directors of the Company will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

Two of the Directors, Jeremy Dowler and Jonathan Beardsworth, are directors of other companies in the mining sector. Having considered the operations of such other companies, the Board is not aware of any situation where Jeremy Dowler or Jonathan Beardsworth has an interest which conflicts with the Company's interests. However, immediately following adoption of the new articles of association, the Board intends to authorise any potential conflicts of interests that may arise as a result of such cross directorships.

5 INSPECTION OF DOCUMENTS

A copy of the proposed new articles of association and a copy of the existing articles of association marked to show the changes being proposed will be available at the registered office of the Company during normal business hours until the date of the Annual General Meeting and, on that date, at the place of the meeting from at least 15 minutes prior to the meeting until its conclusion

6 ACTION TO BE TAKEN

A form of proxy is enclosed for use by Shareholders at the Annual General Meeting. If you are a Shareholder, you are requested to complete, sign and return the form of proxy, whether or not you intend to be present at the meeting, and return it to Baobab Resources plc at 49 Phillimore Street, Fremantle WA 6160 Australia or PO Box 1229 Fremantle WA 6959 Australia by 11.00am on 26 January 2009. The completion and return of a Form of Proxy will not prevent you from attending the meeting and voting in person should you subsequently wish to do so.

7 RECOMMENDATION

The Directors consider that the proposed resolutions are in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors unanimously recommend that you vote in favour of the resolutions being proposed at the Annual General Meeting, as they intend to do or procure to be done in respect of their own and their connected persons' beneficial holding.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Jeremy Dowler', written in a cursive style.

Jeremy Dowler
Non-executive Chairman

BAOBAB RESOURCES PLC

(Registered in England and Wales with company number 5590467)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the above-named Company will be held at Over-Seas House, Park Place, St James Street, London SW1A 1LR United Kingdom on Wednesday, 28 January 2009 at 11.00am for the transaction of the following business:

ORDINARY BUSINESS

- 1** To receive the Directors' and Auditors' reports and the financial statements for the financial year ended 30 June 2008.
- 2** To re-appoint Grant Thornton UK LLP as the Company's auditors until the next Annual General Meeting and to authorise the Directors to fix their remuneration.
- 3** To consider and, if thought appropriate, pass the following Ordinary Resolution:
That Ben James, a Director retiring in accordance with the Constitution, being eligible, is re-elected as a Director of the Company.
- 4** To consider and, if thought appropriate, pass the following Ordinary Resolution:
That Jonathan Beardsworth, a Director retiring in accordance with the Constitution, being eligible, is re-elected as a Director of the Company.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the resolutions set out below, of which resolution 5 will be proposed as an ordinary resolution and resolutions 6 and 7 will be proposed as special resolutions:

THAT:

- 5** the Directors be generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 (the "Act") to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £1,500,000. The authority referred to in this resolution shall be in substitution for all other existing authorities, and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company. The Company may, at any time prior to the expiry of the authority, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the authority and the Directors are hereby authorised to allot relevant securities in pursuance of such offer or agreement as if the authority had not expired.
- 6** the Directors, pursuant to Section 95 of the Act, be empowered to allot equity securities (within the meaning of Section 94(2) of the Act) for cash pursuant to the authority conferred by Resolution 5 as if Section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their holdings of such ordinary shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and with legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory; and
 - (b) the allotment, other than pursuant to (a) above, of equity securities:

- (i) arising from the exercise of options and warrants outstanding at the date of this resolution;
- (ii) pursuant to one or more placings of equity securities by the Company for cash to raise up to £6,000,000 (in aggregate); and
- (iii) other than pursuant to (i) and (ii) above, up to an aggregate nominal value of £1,500,000,

and this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

7 the form of articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be and is hereby adopted as the articles of association of the Company.

By Order of the Board



Susan Hunter
Joint Company Secretary

Registered Office:

27/28 Eastcastle Street
London W1W 8DH
United Kingdom

Dated 18 December 2008

Notes:

1. As a holder of ordinary shares in the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. A proxy need not be a member of the Company.
2. In the case of joint holders, the vote of the person first named in the register of members tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
3. In the case of a corporation, the form of proxy must be expressed to be executed by the corporation and must be executed under its common seal, or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
4. To be valid, the form of proxy and any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority must be deposited with Baobab Resources plc at 49 Phillimore Street, Fremantle WA 6160 Australia or mailed to Baobab Resources plc, PO Box 1229, Fremantle WA 6959 Australia or faxed to Baobab Resources plc on +61 8 9430 7664 in accordance with the instructions printed thereon so as to be received not less than 48 hours before the time of the meeting or any adjournment thereof.
5. The completion and return of a proxy card will not affect the right of a member to attend, speak and vote in person at the meeting convened by this notice.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
7. To direct your proxy how to vote on the resolutions mark the appropriate box with an "X". To abstain from voting on a resolution, select the relevant "withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution.

If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

8. Pursuant to regulation 41 of The Uncertificated Securities Regulations 2001, members will be entitled to attend and vote at the meeting if they are registered on the Company's register of members 48 hours before the time appointed for the meeting or any adjournment thereof. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
9. A copy of the proposed new articles of association will be available at the registered office of the Company during normal business hours until the date of the Annual General Meeting and, on that date, at the place of the meeting from at least 15 minutes prior to the meeting until its conclusion.
10. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.

BAOBAB RESOURCES PLC
(Registered in England - No 5590467)

FORM OF PROXY
for use by shareholders at the Annual General Meeting
to be held on 28 January 2009

I/We, the undersigned shareholder(s) of Baobab Resources plc (the "Company") hereby appoint the Chairman of the Meeting *(see note 1) as my/our proxy to vote in my/our name(s) and on my/our behalf at the Annual General Meeting of the Company to be held at Over-Seas House, Park Place, St James Street, London SW1A 1LR United Kingdom on Wednesday, 28 January 2009 at 11.00am and at any adjournment thereof.

Please indicate with an "X" in the appropriate boxes below how the proxy should vote and then sign in the space provided below. If no specific direction as to voting is given, the proxy may vote or abstain at his discretion.

ORDINARY BUSINESS	For	Against	Withheld
Resolution 1 - (adoption of Report and Accounts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - (re-appointment of Auditors)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - (re-elect Ben James as a Director)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - (re-elect Jonathan Beardsworth as a Director)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS	For	Against	Withheld
Resolution 5 - (general power to allot shares)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 - (disapplication of pre-emption rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 - (adopt new Articles of Association)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I/We authorise my/our proxy to act at his/her discretion in relation to any other business arising at the Meeting (including in respect of the question whether to adjourn such meeting) and at any adjournment of such Meeting.

Signature(s) Dated

Name:
(in block capitals)

Address
.....
.....

Initials and surnames of joint holders if any

Notes:

1. *If you wish to appoint any person other than the Chairman of the Meeting as proxy, please delete the words “Chairman of the Meeting” and insert his or her name and address in the space provided and initial the alteration. The person appointed to act as a proxy need not be a member of the Company.
2. As a holder of ordinary shares in the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. A proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the person first named in the register of members tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
4. In the case of a corporation, this form must be expressed to be executed by the corporation and must be executed under its common seal, on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
5. To be valid, the form of proxy and any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority must be deposited with Baobab Resources plc at 49 Phillimore Street, Fremantle WA 6160, Australia or mailed to PO Box 1229, Fremantle WA 6959, Australia or faxed to Baobab Resources plc on +61 8 9430 7664 in accordance with the instructions printed thereon so as to be received not less than 48 hours before the time of the meeting or any adjournment thereof.
6. Any alteration to this form must be initialled.
7. The completion and return of a form of proxy will not affect the right of a member to attend, speak and vote in person at the meeting convened by this notice.
8. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
9. To direct your proxy how to vote on the resolutions mark the appropriate box with an “X”. To abstain from voting on a resolution, select the relevant “withheld” box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
10. Pursuant to regulation 41 of The Uncertificated Securities Regulations 2001, members will be entitled to attend and vote at the meeting if they are registered on the Company’s register of members 48 hours before the time appointed for the meeting or any adjournment thereof. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
11. A copy of the proposed new articles of association will be available at the registered office of the Company during normal business hours until the date of the extraordinary general meeting and, on that date, at the place of the meeting from at least 15 minutes prior to the meeting until its conclusion.
12. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.