

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or from another appropriately authorised financial adviser if you are in a territory outside of the United Kingdom.

If you have sold or otherwise transferred all of your ordinary shares in GCM Resources plc, please send this document, together with the 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 transmission to the purchaser or transferee.

GCM Resources plc

(Incorporated and registered in England & Wales with registered number 4913119)

NOTICE OF ANNUAL GENERAL MEETING

The notice of Annual General Meeting of the Company to be held at 11.00 a.m. on Monday 7 December 2009 at the offices of Trowers & Hamlin LLP, Sceptre Court, 40 Tower Hill, London EC3N 4DX is set out at the end of this document. A Form of Proxy is enclosed with this document for use at the Annual General Meeting.

Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible but, in any event, so as to be received by the Company's registrars, Capita Registrars plc, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 3 December 2009, whether or not they propose to be present at the Annual General Meeting. The return of a completed Form of Proxy will not prevent you from attending the Annual General Meeting and voting in person if you wish to do so.

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TIMETABLE OF EVENTS

Latest time and date for receipt of Forms of Proxy	– 11.00 a.m. on Thursday 3 December 2009
Annual General Meeting	– 11.00 a.m. on Monday 7 December 2009

DEFINITIONS

The following definitions apply throughout this document and in the accompanying Form of Proxy and unless the context requires otherwise:

Act	means the Companies Act 2006, as amended and replaced
AIM	means the AIM market operated by the London Stock Exchange plc
Annual General Meeting or AGM	means the annual general meeting of the Company which is to be held at the offices of Trowers & Hamlins LLP, Sceptre Court, 40 Tower Hill, London EC3N 4DX on Monday 7 December 2009 at 11.00 a.m., notice of which is set out at the end of this document, or any reconvened meeting following any adjournment thereof
Board	the Board of Directors of the Company and Directors shall be construed accordingly
Company or GCM	means GCM Resources plc, a public limited company incorporated in England and Wales with registered number 4913119 and admitted to trading on AIM
Form of Proxy	means the form of proxy for use by Shareholders in connection with the AGM attached at the end of this document
Resolutions	means the resolutions to be put to Shareholders at the Annual General Meeting and Resolution shall be construed accordingly
Shareholders	means shareholders of the Company
Shares	means ordinary shares of 10p each in the capital of the Company in issue

LETTER FROM THE CHAIRMAN

Directors

Gerard Holden (Non-Executive Chairman)
Steve Bywater (Chief Executive)
Bill McIntosh (Executive Director – Technical)
Graham Taggart (Finance Director and Company Secretary)
Stephen Dattels (Non-Executive Director)
Greg James (Non-Executive Director)

Registered Office

2nd Floor
Foxglove House
166-168 Piccadilly
London
W1J 9EF

21 October 2009

To Shareholders and, for information only, to the holders of options over Shares

Dear Shareholder

1. INTRODUCTION

The Company has today announced the convening of its 2009 Annual General Meeting to propose resolutions relating to ordinary business (including a resolution to authorise the Company to make own share purchases) and in addition, resolutions to enable the Board to allot shares and to do so for cash on a non pre-emptive basis and to adopt new articles of association to take account of changes introduced by the Companies Act 2006. A notice convening the Annual General Meeting to be held at 11.00 am on Monday 7 December 2009 is set out at the end of this document. This document explains the background to, and reasons for, the Resolutions.

2. UPDATE ON THE COMPANY

GCM Resources plc remains fully committed to the Phulbari Coal Project (the Project) in Bangladesh. The Company believes it can provide the fastest, lowest risk and most reliable means of delivering the commercial energy required to bring a step-change in electricity access and availability for the people of Bangladesh.

The successful parliamentary elections held in Bangladesh on 29 December 2008 brought to an end a period of almost two years during which the country was governed by caretaker Governments under a state of emergency. Since the election, GCM has re-engaged and promoted the Project with the new Government and their advisors as they evaluate options to address the energy and electrical power shortfall that the country is experiencing. GCM will continue to engage with the Government and other stakeholders in order to move the Project forward.

3. THE ANNUAL GENERAL MEETING

Ordinary business

Resolutions 1 to 7 relate to the ordinary business to be considered at the AGM namely the annual accounts of the Company for the year ended 30 June 2009, the re-appointment of certain Directors who are required to retire under the Company's articles of association, the re-appointment of Ernst & Young as the auditors of the Company and the grant of authority to permit the Company to buy-back up to 5,101,102 Shares (representing 10 per cent of the Company's issued ordinary share capital). Following any buy-back the Shares bought back will be held as treasury shares and may be subsequently sold, transferred or cancelled. The minimum and maximum price which may be paid per Share shall not be less than nor more than 5 per cent below or above respectively the average closing price of the Shares as derived from the FTSE AIM All-Share Index for the five business days immediately preceding the date on which the relevant Shares are purchased. The Directors will only exercise this authority where they consider that such purchases will be in the best interests of the Company and its shareholders as a whole.

Special business

Resolutions 8 to 10 relate to the special business to be considered at the AGM namely the grant of authority to the Directors to allot Shares generally, the disapplication of statutory pre-emption rights and the adoption of new articles of association.

Authority to allot Shares and disapplication of pre-emption rights

Section 551 of the Act prohibits Directors from allotting any Shares without prior authority from Shareholders. Section 561 of the Act gives holders of equity securities certain rights of pre-emption on the issue for cash of new equity securities.

Pursuant to Resolutions 9 and 10 the Company is seeking a new authority to allot in respect of an aggregate nominal amount of £10,000,000 (i.e. 100 million Shares) and authority to disapply the statutory pre-emption rights in section 561 in respect of the allotment of equity securities up to an aggregate nominal amount of £10,000,000 (the **Authorities**) being approximately 67 per cent of the enlarged issued share capital of the Company as at the date of this document (assuming the Authorities were to be fully utilised). The Authorities will expire at the end of the Company's next annual general meeting.

The Authorities are a renewal of the authorities granted at the 2008 Annual General Meeting held in December 2008 which, other than 1,130,000 shares which have been conditionally allotted to Directors, employees, consultants and associates, remain unused. The Authorities will give the Board the flexibility to raise additional funds or make acquisitions as and when suitable opportunities may arise. The Authorities will give the Board the scope to act expeditiously to take advantage of any opportunities presented. The Authorities may also be used for other general corporate purposes and to part fund the Phulbari Coal Project.

The Board also intends to continue to utilise the Authorities sought to incentivise existing and new personnel employed or engaged by the Company.

If the Authorities were to be used in relation to a placing of equity with investors on a non pre-emptive basis, the Board will seek to ensure that existing institutional shareholders will receive preferential allocations in any such placing.

As a UK public company, the Company is governed by the provisions of the UK City Code on Takeovers and Mergers (**Code**). Accordingly, no issue of Shares will be made which would result in a single shareholder or concert party holding 30% or more of the issued share capital of the Company without, as required by the Code, a vote of independent shareholders being sought, to waive the requirement of such shareholder or concert party to make an offer for the whole of the issued share capital of the Company.

The Board will consult with its nominated adviser, J.P. Morgan Cazenove Limited, on the terms and conditions of any issue utilising these Authorities. Notwithstanding the Authorities being sought from shareholders to allow for a non pre-emptive issue of Shares, the Board will keep under review the possibility of an issue of Shares on a pre-emptive basis.

Adoption of new Articles of Association

Shareholders are also asked to approve the adoption by the Company of a new form of articles of association. New articles of association are required primarily to reflect the provisions of the Companies Act 2006 which came into force on 1 October 2009. An explanation of the main changes between the existing and the new articles of association is set out on pages 7 to 8 of this document.

4. ACTION TO BE TAKEN

Shareholders will find enclosed with this document a pre-paid Form of Proxy to be used in connection with the Annual General Meeting attached at the end of this document. Whether or not you intend to attend the Annual General Meeting, please complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it by post to the Registrars at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event no later than 11.00 a.m. on Thursday 3 December 2009. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual. Neither the completion of the Form of Proxy (whether through CREST or by post), nor its return will preclude Shareholders from attending and voting in person at the Annual General Meeting should they wish to do so.

Yours faithfully

A handwritten signature in black ink that reads "G. Gerard Holden". The signature is written in a cursive style with a large initial 'G'.

Gerard Holden

Non-Executive Chairman

SUMMARY OF CHANGES TO THE ARTICLES OF ASSOCIATION

It is proposed in resolution 10 to adopt new articles of association (the **New Articles**) in order to update the Company's current articles of association (the **Current Articles**) primarily to take account of changes in English company law brought about by the Act.

The principal changes introduced in the New Articles are summarised below. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Act have not been specifically noted. The New Articles are available for inspection at the Company's registered office and at the Annual General Meeting.

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Act significantly reduces the constitutional significance of a company's memorandum. The Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Act the objects clause and all other provisions which are currently contained in a company's memorandum, for existing companies at 1 October 2009, will be deemed to be contained in a company's articles of association but the company can remove these provisions by special resolution.

Further the Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This removes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Act, are to be treated as forming part of the Company's articles of association as of 1 October 2009. Sub-paragraph 10.1 of resolution 10 confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of the Shareholders.

Change of name

Under the Companies Act 1985, a company could only use the special resolution procedure to change its name. Under the Act the special resolution procedure continues to be available and, in addition, the Act permits a company to change its name by the means set out in its articles of association. The New Articles provide that the name of the Company may be changed by a resolution of the Directors.

Authorised share capital and unissued shares

The Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of Shares they can at any time allot because allotment authority continues to be required under the Act.

Provision for employees on cessation of business

The Act provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles provide that the Directors may exercise this power.

Use of seals

Prior to 1 October 2009 a company required authority in its articles if it wanted to have an official seal for use abroad. After 1 October 2009 such authority will no longer be required. Accordingly the relevant authorisation has been removed in the New Articles. The New Articles provide an additional alternative option for execution of documentation

(other than share certificates) using the company seal. Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a Director and the secretary or two Directors or such other person or persons as the Directors may approve.

Vacation of office by Directors

The Current Articles specify the circumstances in which a Director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the model articles for public companies produced by the Department for Business, Innovation & Skills (formerly the Department for Business, Enterprise and Regulatory Reform).

Provisions which replicate statutory provisions

Provisions in the Current Articles which replicate provisions contained in the Act are in the main amended to bring them into line with the wording of the Act.

Statutory references

In the light of further provisions of the Act coming into force on 1 October 2009, the opportunity has been taken to update certain statutory references in the Current Articles.

Renumbering

The numbering of the paragraphs in the New Articles reflects the removal of certain paragraphs from the Current Articles, as referred to above.

GCM Resources plc (the Company)

Notice of 2009 Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2009 Annual General Meeting of the Company will be held at 11 a.m. on Monday 7 December 2009 at the offices of Trowers & Hamlins LLP, Sceptre Court, 40 Tower Hill, London EC3N 4DX for the following purposes:

ORDINARY BUSINESS

To consider, and if thought fit, to pass the following resolutions of which resolutions 1 to 6 will be proposed as ordinary resolutions and resolution 7 as a special resolution:

- 1 To receive and adopt the Company's annual accounts for the financial year ended 30 June 2009, together with the Directors' Report and Auditors' Report on those accounts.
- 2 To re-appoint Stephen Dattels as a Director of the Company.
- 3 To re-appoint Gerard Holden as a Director of the Company.
- 4 To re-appoint Greg James as a Director of the Company.
- 5 To re-appoint William McIntosh as a Director of the Company.
- 6 To re-appoint Ernst & Young as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company at a remuneration to be determined by the Directors.
- 7 That the Company be and is generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) on the AIM Market of the London Stock Exchange plc of ordinary shares of 10p each in the capital of the Company (Shares) provided that:
 - 7.1 the maximum aggregate number of Shares to be purchased is 5,101,102 (representing 10 per cent of the Company's issued ordinary share capital);
 - 7.2 the minimum price which may be paid for such Shares shall not be less than 5 per cent below the average closing price for the Shares as derived from the FTSE AIM All-Share Index for the five business days immediately preceding the date on which the Shares are purchased;
 - 7.3 the maximum price which may be paid for a Share shall not be more than 5 per cent above the average closing price for the Shares as derived from the FTSE AIM All-Share Index for the five business days immediately preceding the date on which the Shares are purchased;
 - 7.4 unless previously renewed, varied or revoked, the authority conferred shall expire at the conclusion of the next annual general meeting of the Company; and
 - 7.5 the Company may make a contract or contracts to purchase Shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Shares in pursuance of any such contract or contracts.

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions, of which resolution 8 will be proposed as an ordinary resolution and resolutions 9 and 10 will be proposed as special resolutions:

- 8 That for the purpose of section 551 of the Companies Act 2006 (the Act) the Directors of the Company be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) up to an aggregate nominal amount of £10,000,000 provided that this authority shall expire at the conclusion of the next annual general meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

This authority is in substitution for all subsisting authorities, conferred upon the Directors for the purposes of section 80 of the Companies Act 1985, without prejudice to any allotments made pursuant to the terms of such authorities.

- 9 That, subject to the passing of resolution 8 above, the Directors of the Company be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 8 above and to sell treasury shares (within the meaning of section 724(1) of the Act) as if section 561 of the Act did not apply to any such allotment provided that the power conferred by this resolution shall be limited to:

9.1 the allotment or sale of equity securities for cash in connection with an issue or offer of equity securities (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings of equity securities subject only to such exclusions or other arrangements as the board may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange in any territory; and

9.2 the allotment or sale (otherwise than pursuant to sub-paragraph 9.1 of this resolution 9) of equity securities for cash up to an aggregate nominal value of £10,000,000.

The power conferred by this resolution 9 shall expire (unless previously renewed, revoked or varied by the Company in general meeting), at such time as the general authority conferred on the board by resolution 8 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted or sold after such expiry and the Directors of the Company may allot or sell equity securities for cash in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

- 10 That,

10.1 the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Act, are to be treated as provisions of the Company's articles of association; and

10.2 the articles of association produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Dated 21 October 2009

By Order of the Board

Graham Taggart

Company Secretary

GCM Resources plc

Foxglove House

166-168 Piccadilly

London

W1J 9EF

Notes

1. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members not later than 11 a.m. on Thursday 3 December 2009, or if the meeting is adjourned, Shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting.
2. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy (or proxies) to attend, speak and vote in his place. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.
3. To be effective, the Form of Proxy must be deposited at the office of the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received not later than 11 a.m. on Thursday 3 December 2009, or if the meeting is adjourned, not later than 48 hours before the time fixed for the adjourned meeting. In calculating that period no account shall be taken of any part of Saturday, Sunday or any other day when clearing banks are not open for non-automated business in London.
4. To change your proxy instructions simply submit a new proxy appointment using the methods set out above and in the notes to the Form of Proxy. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy and would like to change the instructions, please contact the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (Tel: 0871 664 0300 (calls cost 10p per minute plus network extras) or +44 20 86393399 for overseas shareholders).

5. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 11.00 a.m. on Thursday 3 December 2009.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified above, then your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising 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 made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by our agent Share Registrars (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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. 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo 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 personal 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.

7. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the AGM or any adjourned meeting, (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 11.00 a.m. on Thursday 3 December 2009 (or 11.00 a.m. on the date two days before any adjourned meeting, excluding business days). Changes to entries on the register of members after 11.00 a.m. on 3 December 2009 or, if the Annual General Meeting is adjourned, not less than 48 hours before the time appointed for the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. There are available for inspection at the registered office of the Company during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) and there will be available at the place of the Annual General Meeting from at least fifteen minutes prior to and until the conclusion of the Annual General Meeting a copy of the proposed new articles of association of the Company, together with a copy of the existing articles of association of the Company marked to show the changes being proposed.



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