

Letter to the Shareholders

This document is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor, tax adviser, accountant, or other independent professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares as soon as possible.

Iberian Gold plc

(incorporated and registered in England and Wales under number 03977034)

Directors:

Mr Geoffrey Hall – Chairman
Mr Mark Slater
Mr Timothy Greatrex
Mr Michael Burton

Registered Office:

11 Greenleaf House
128 Darkes Lane
Potters Bar
Hertfordshire
EN6 1AE

22 November 2013

Dear Shareholder,

Notice of Annual General Meeting

I am pleased to be writing to you with details of our Annual General Meeting ("AGM") which we are holding at Ionian Building, 45 Narrow Street, London E14 8DX on 16 December 2013 at 1.00pm.

The formal notice of Annual General Meeting is set out on page 2 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this notice and return it to our registered office as soon as possible. They must receive it by 1.00pm on 14 December 2013.

Yours sincerely,

Mr Geoffrey Hall
Chairman

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Iberian Gold plc will be held at 1.00pm on 16 December 2013 at Ionian Building, 45 Narrow Street, London E14 8DX for the purpose of transacting the following business. Resolutions 1 to 3 will be proposed as ordinary resolutions and resolutions 4 and 5 will be proposed as special resolutions.

Ordinary business

1. To receive the directors' reports and audited financial statements for the year ended 31 December 2012;
2. To re-appoint PKF-Littlejohn LLP as Company auditors and to authorise the directors to determine their remuneration.

Special business

To consider, and if thought fit pass, the following resolutions of which resolution 3 will be proposed as an ordinary resolutions and resolutions 4 and 5 as a special resolution:

Ordinary Resolutions

3. THAT for the purposes of section 551 Companies Act 2006 ("2006 Act") (and so that expressions used in this resolution shall bear the same meanings as in the said section 551):
 - (a) the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares and to grant such subscription and conversion rights as are contemplated by sections 551.(1)(a) and (b) of the 2006 Act respectively up to the aggregate nominal amount of the authorised but unissued ordinary share capital of the Company immediately following the passing of this Resolution to such persons and at such times and on such terms as they think proper during the period expiring on the date falling 15 months after the date of the passing of this Resolution, or if earlier, at the conclusion of the next Annual General Meeting of the Company (unless previously varied, revoked or renewed by the Company in general meeting); and
 - (b) the Company shall be entitled to make, prior to the expiry of such authority, any offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority and the Directors may allot any relevant securities pursuant to such offer or agreement as if such authority had not expired; and
 - (c) all prior authorities to allot securities be revoked but without prejudice to the allotment of any securities already made or to be made pursuant to such authorities.

Special Resolution

4. THAT the articles of association of the Company be amended by:
 - (a) deleting the present article 160 and replacing it with the following new article 160:

"The Company can send, deliver or serve any notice or other document, including a share certificate, to or on a member:

 - (a) personally;
 - (b) by sending it through the postal system addressed to the member at his registered address or by leaving it at that address addressed to the member;
 - (c) where appropriate, by sending or supplying it in electronic form to an address notified by the member to the Company for that purpose;
 - (d) where appropriate, by making it available on a website and notifying the member of its availability in accordance with this Article; or
 - (e) by any other means authorised in writing by the member.

A member is entitled to receive notices from the Company notwithstanding that his registered address as appearing in the register of members is outside the United Kingdom. In the case of joint holders of a share, notice shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint members."

- (b) inserting the following wording at the end of the present article 161:

"Any notice, document or other information, if served, sent or supplied by electronic means shall be deemed to have been received on the day on which the electronic communication was sent by or on behalf of the Company notwithstanding that the Company subsequently sends a hard copy of such notice, document or other information by post. Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of

availability is received or deemed to have been received pursuant to this Article. Proof that the notice, document or other information was properly addressed shall be conclusive evidence that the notice by electronic means was given."

(c) deleting the present article 163 and replacing it with the following new article 163:

"A notice required to be given to the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If at any time by reason of the suspension, interruption or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, the Company need only give notice of a general meeting to those members with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one national newspaper published in the United Kingdom and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment of it. In any such case the Company shall send confirmatory copies of the notice by post to those members to whom notice cannot be given by electronic means if, at least 48 hours prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable."

5. THAT the Directors be granted power pursuant to Section 570 of the Companies Act 2006 (the "2006 Act") to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash, pursuant to the authority conferred on them to allot such shares or grant such rights by Resolution 3 contained in the Notice of the Annual General Meeting of the Company of which this Resolution forms part as if section 561(1) and sub sections (1)-(6) of section 562 of the 2006 Act did not apply to any such allotment, provided that the power conferred by this Resolution shall be limited to:

(a) the allotment of equity securities in connection with an issue or offering in favour of holders of equity securities and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as maybe) to the respective number of equity securities held or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory; and

(b) the allotment of equity securities up to the aggregate nominal amount of the authorised but unissued ordinary share capital of the Company immediately following the passing of this Resolution; and

(c) shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date 15 months from the date of passing of this Resolution unless previously varied, revoked or renewed by the Company in general meeting provided that the Company may, before such expiry, make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power hereby conferred had not expired; and

(d) all prior powers granted under section 95 of the Companies Act 1985 be revoked provided that such revocation shall not have retrospective effect.

By Order of the Board

Michael Burton
Company Secretary
22 November 2013

Registered Office: 11 Greenleaf House, 128 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AE

Notes to the Notice of Annual General Meeting

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting, using the attached Form of Proxy. A proxy need not also be a member. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy and so requires additional proxy forms, the member should contact the Company on 01707 657762. Completion and return of a Form of Proxy will not preclude a member from attending and voting at the meeting should the member so decide.
2. 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 authority) must be completed and returned so as to reach: (i) the Company in accordance with the reply details, or (ii) by hand to Iberian Gold plc, 11 Greenleaf House, 128 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AE not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment thereof.
3. A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that they do not do so in respect of the same shares.
4. The Company, pursuant to resolution 41(1) of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company at 1.00pm on 14 December 2013 (or, if the meeting is adjourned, at 1.00pm on the day two days prior to the adjourned meeting) be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the number of votes a member may cast). Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Services Authority. As a result, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Services Authority.
6. The following documents will be available for inspection during normal business hours on any week day at the Company's registered office up until the date of the Annual General Meeting and at the place of the meeting from 30 minutes before the start of the meeting on 16 December 2013 until the end of the meeting:
 - i) a copy of the Memorandum and Articles of Association of the Company;
 - ii) the contracts of service and letters of appointment between the Company or its subsidiary undertakings and its Directors.