

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your ordinary shares in Eredene Capital PLC, you should pass this document and the accompanying form of proxy to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

EREDENE CAPITAL PLC

(Registered in England No. 5330839)

Directors:

D.A. Coltman *(Non-Executive Chairman)*
A.J.N. King *(Chief Executive)*
G.D. Varley *(Executive Director)*
Sir Christopher Benson *(Non-Executive Director)*
The Hon. C.W. Cayzer *(Non-Executive Director)*
N.M. Naik *(Non-Executive Director)*

Registered Office:

7 Pilgrim Street
London EC4V 6LB

28 July 2009

To the holders of Ordinary Shares

Dear Shareholder

2009 Annual General Meeting

The 2009 Annual General Meeting ("AGM") of Eredene Capital PLC ("the Company") is to be held at 12.00 p.m. on Tuesday, 8 September 2009 at 7 Pilgrim Street, London EC4V 6LB. The notice convening the AGM is set out at the end of this letter and I am writing to give you more information about the resolutions to be considered at the AGM.

A copy of the Annual Report and Accounts for the period ended 31 March 2009 is enclosed. A resolution relating to the financial statements to 31 March 2009 is included in the ordinary business of the AGM.

Resolutions 1 to 4 deal with the ordinary business that normally takes place at the Annual General Meeting of the Company, and require no explanation.

The information set out below explains the reasons for Resolutions 5 to 8.

Resolution 5 – Investing policy

As an AIM quoted investing company, the Company is required to publish its investing policy and to have that policy approved by its shareholders. The Company will be seeking the approval of the following investing policy as set out in the Directors' Report in the Annual Report and Accounts:

Eredene Capital PLC is an equity investor in Indian infrastructure operating companies and holds its investments as part of an investment portfolio. Its investment portfolio includes minority stakes which are accounted for as investments and majority stakes which are consolidated. It has no restrictions or maximum exposure limits on its investments and would intend, on average, to hold its investments for at least seven years until the underlying business reached full maturity. Its investment policy is focused on –

- Indian infrastructure – primarily investment in Ports and Port Services, Logistics and Warehousing, Transportation and Real Estate sectors.
- Investment in businesses with a potential to generate substantial capital growth providing a long-term capital appreciation and a steady dividend yield.

- Target individual investments typically up to US\$35 million and equity holdings of greater than 20 per cent.
- Active role in investments through board participation and by sourcing experienced and trusted local partners. The Management Team of Eredene has significant experience in the target sectors.
- Investment in a diversified portfolio of infrastructure assets and further diversification via balanced regional geographical exposure within India with a range of co-investment partners.
- Gearing utilised at SPV level with the investee company raising debt with no recourse to Eredene.

Resolution 5 seeks your approval of the Company's investment policy.

Resolutions 6 and 7 – Authority to allot shares and disapplication of pre-emption rights

Resolutions 6 and 7 provide for the grant of authorities to the Directors pursuant to sections 80 and 95 of the Companies Act 1985 to allot shares. Resolution 6 will permit the issue of shares *pro rata* to existing shareholders and the issue of shares otherwise than to existing shareholders for non-cash consideration. The number of Ordinary Shares that may be issued pursuant to the authority will be limited to a whole number not exceeding one third of the Company's issued share capital at the date of the AGM. The authority will expire on 8 September 2014.

Resolution 7 will permit the issue of Ordinary Shares for cash other than *pro rata* to existing shareholders. The number of Ordinary Shares that may be issued pursuant to this authority will be limited to a whole number not exceeding 10 per cent. of the Company's issued share capital at the date of the AGM. The authority will lapse 15 months after the AGM or at the conclusion of the Annual General Meeting of the Company to be held in 2010, whichever occurs first.

The authorities sought will replace those granted at the last Annual General Meeting in June 2008. The new authorities are being sought specifically to maintain flexibility in the financing of the Company and to give the Directors the opportunity to take advantage of business opportunities as they arise.

Resolution 8 – Authority to purchase own shares

Resolution 8 authorises the purchase by the Company of Ordinary Shares not exceeding 15 per cent. of the issued share capital of the Company at the date of the AGM. The authority will lapse on the date falling 15 months after the passing of the resolution or at the next Annual General Meeting, whichever first occurs. The Directors would only exercise the authority to purchase own shares if, in the light of market conditions, they considered that the effect of purchases would be to increase the net asset value per share and that it would be in the best interests of shareholders generally.

Action to be taken

A form of proxy for use by shareholders at the AGM is enclosed. Shareholders are requested to complete and return the form of proxy in accordance with the instructions printed on it so as to arrive at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible, but in any event no later than 12.00 p.m. on 6 September 2009. The return of a form of proxy will not preclude a shareholder from attending and voting at the AGM if he/she so wishes.

Recommendation

Your Directors believe that the Resolutions numbered 5 to 8 inclusive to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and recommend you vote in favour of such Resolutions as the Directors intend to do in respect of their own beneficial shareholdings amounting, in aggregate, to 2,670,710 existing Ordinary Shares, representing approximately 1.1 per cent. of the issued share capital of the Company at the date of this letter.

Yours sincerely
D.A. Coltman
Chairman

NOTICE OF ANNUAL GENERAL MEETING

EREDENE CAPITAL PLC

Notice is hereby given that the Annual General Meeting of Eredene Capital PLC ("the Company") will be held at 7 Pilgrim Street, London EC4V 6LB on Tuesday the 8th day of September 2009 at 12.00 p.m. for the following purposes:

1. To receive the Company's Report and Accounts for the period ended 31 March 2009.
2. To re-elect Mr. Alastair King, who retires by rotation, as a Director.
3. To re-elect Sir Christopher Benson, who retires by rotation, as a Director.
4. To re-appoint BDO Stoy Hayward LLP as auditors of the Company and to authorise the Directors to determine their remuneration.

Special Business

To consider and, if thought fit, to pass the following resolutions as to the resolutions numbered 5 and 6 as Ordinary Resolutions and as to the resolutions numbered 7 and 8 as Special Resolutions:

Ordinary Resolutions

5. THAT the investing policy of the Company, as summarised in the circular accompanying this Notice (the "Circular"), be and it is hereby approved.
6. THAT the Directors be and they are hereby authorised generally and unconditionally for the purposes of Section 80 of the Companies Act 1985 (the "Act") to allot up to such number of relevant securities (as defined in Section 80(2) of the Act) as has an aggregate nominal value equal to one third of the aggregate nominal value of the Company's issued share capital at the date of the passing of this resolution, provided that this authority shall expire five years from the date of the passing of this resolution, save that the Company may make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant thereto as if the authority conferred hereby had not expired, such authority to be in substitution for any existing authorities conferred on the Directors pursuant to Section 80 of the Act.

Special Resolutions

7. THAT the Directors be and they are hereby generally empowered pursuant to Section 95(1) of the Act to allot equity securities (as defined in Section 94(2) of the Act) pursuant to the authority conferred by resolution numbered 6 above 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 in connection with a rights issue or open offer in favour of ordinary shareholders where the equity securities attributable to the respective interests of all ordinary shareholders are proportionate to the respective numbers of Ordinary Shares held by them on the record date for such allotment, but subject to such exclusions as the Directors may deem fit to deal with fractional entitlements or problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and
 - (b) the allotment (otherwise than pursuant to paragraph (a) of this resolution) for cash of up to such number of equity securities as has an aggregate nominal value equal to one tenth of the aggregate nominal value of the Company's issued share capital at the date of the passing of this resolution, such power to expire at the earlier of the date fifteen months from the date of passing of this Resolution and the conclusion of the Annual General Meeting of the Company to be held in 2010;

provided that the Company may make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

8. THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 166 of the Act to make one or more market purchases (within the meaning of section 163(3) of the Act) on the London Stock Exchange plc of Ordinary Shares provided that:
- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is limited to 15 per cent. of the Company's issued ordinary share capital as at the date of passing of this resolution;
 - (b) the minimum price which may be paid for such shares is 10 pence per Ordinary Share (exclusive of expenses);
 - (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall not be more than 5 per cent. above the average of the closing mid-market prices of an Ordinary Share as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased;
 - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Company's next Annual General Meeting or 15 months from the date of passing this resolution, if earlier;
 - (e) the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby 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 Ordinary Shares in pursuance of any such contract or contracts.

Registered Office:
7 Pilgrim Street
London EC4V 6LB

By Order of the Board
G.D. Varley
Company Secretary

28 July 2009

Notes

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his or her stead. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a member of the Company. A form of proxy is enclosed for the use of members. Completion and return of a form of proxy will not preclude a member from attending and voting in person at the above meeting should he or she so decide. If you appoint a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
2. The form of proxy and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power of authority) must be deposited at the offices of Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA by 12.00 p.m. on 6 September 2009.
3. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered in the Register of Members at 6.00 p.m. on 6 September 2009 ("the specified time"). If the meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If however the meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's Register of Members at the time which is not less than 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.