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If you sell or have sold or otherwise transferred all of your Ordinary Shares in Pangea DiamondFields plc, please forward this document and the accompanying Form of Proxy at once to the purchaser or transferee. If you have sold part only of your holding of Pangea DiamondFields plc Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take.

This document does not constitute, or form part of, any offer or invitation to issue, or any solicitation of any offer to subscribe for, any Ordinary Shares.

Pangea DiamondFields plc

(incorporated and registered in the Isle of Man, with registered number 113016C)

Proposed Disposal of Efidium Limited

and

Notice of Extraordinary General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter to Shareholders from the Chairman of Pangea DiamondFields plc recommending that you vote in favour of the proposal outlined in this document.

Notice of a General Meeting of Pangea DiamondFields plc, to be held at the Company’s registered office, Falcon Cliff, Palace Road, Douglas, Isle of Man, IM2 4LB at 2.00 p.m. on 26 March 2010, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the Extraordinary General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach Computershare Investor Services (Jersey) Limited, PO Box 83, 31 Pier Road, St Helier, Jersey, JE4 8PW, Fax: +44 1534 825 315 by not later than 2.00 p.m. on 24 March 2010. Completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting in person at the Extraordinary General Meeting.

Some of the statements in this document about the Group include forward-looking statements which reflect the Directors’ current views with respect to financial performance, business strategy, plans and objectives of management for future operations. These statements include forward-looking statements both with respect to the Group and the sectors and industries in which each Group member operates. Statements which include the words “expects”, “intends”, “plans”, “believes”, “projects”, “anticipates”, “will”, “targets”, “aims”, “may”, “would”, “could”, “continue”, and similar statements are of a future or forward-looking nature. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group’s actual performance to differ materially from that indicated in these statements. Any forward-looking statements in this document reflect the Directors’ current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. These forward-looking statements speak only as of the date of this document. Subject to any obligations under the AIM Rules, the Group undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or any member of the Group or individuals acting on behalf of the Group are expressly qualified in their entirety by this paragraph.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for General Meeting	2.00 p.m. on 24 March 2010
General Meeting	2.00 p.m. on 26 March 2010
Completion of the Disposal	31 March 2010

IMPORTANT NOTICE:

THE MONETARY VALUE OF THE EXPECTED CONSIDERATION WHICH IS PROPOSED TO BE DISTRIBUTED TO SHAREHOLDERS IS BASED ON THE ASSUMPTIONS SET OUT IN THIS CIRCULAR. THE ACTUAL CONSIDERATION MAY BE LOWER OR HIGHER IF ANY OF THESE ASSUMPTIONS CHANGE.

DEFINITIONS

In this document, the following expressions have the following meanings unless the context otherwise requires:

“AIM”	AIM, a market of the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies as published from time to time by the London Stock Exchange;
“Board” or “Directors”	the directors of the Company;
“Cancellation”	cancellation of the Company’s Ordinary Shares to trading on AIM;
“CAR”	The Central African Republic;
“Closing Date”	three business days after the satisfaction of the conditions precedent to the Disposal;
“Consideration Shares”	the 495,399,057 IGE Shares to be received by the Company as consideration for the Disposal, subject to adjustment for the net debt of the Efidium Group as at the Closing Date;
“Disposal”	the disposal of the entire issued share capital of Efidium;
“Dorado”	Dorado Investments Limited, a wholly owned subsidiary of the Company;
“DRC”	The Democratic Republic of the Congo;
“Extraordinary General Meeting”	the extraordinary general meeting of the Company convened for 2.00 p.m. on 26 March 2010 (or any adjournment thereof), notice of which is set out at the end of this document;
“Efidium”	Efidium Limited, a wholly owned subsidiary of the Company;
“Efidium Group”	Efidium and its subsidiary undertakings;
“Form of Proxy”	the form of proxy for use in connection with the Extraordinary General Meeting (or any adjournment thereof) enclosed with this document;
“Group”	the Company and its subsidiaries and associated undertakings;
“IGE”	International Gold Exploration AB, a company incorporated in Sweden with registered number 556227-8043;
“IGE Shares”	fully paid ordinary shares in the capital of IGE;
“Intercompany Claims”	all claims which any member of the Group has against any member of the Efidium Group on loan account less all claims which Efidium has against Dorado as at the Closing Date;
“London Stock Exchange”	the London Stock Exchange plc;
“NI 43-101”	National Instrument 43-101, a mineral resource classification scheme used for the public disclosure of information relating to mineral properties in Canada;

“NOK”	the Norwegian Kroner, being the lawful currency for the time being of Norway;
“Notice”	the notice convening the Extraordinary General Meeting which is set out at the end of this document;
“Ordinary Shares”	the ordinary shares of US\$0.005 each in the capital of the Company;
“OSE”	Oslo Stock Exchange;
“Panex”	Pangea Exploration (Proprietary) Limited;
“Pangea” or “the Company”	Pangea DiamondFields plc;
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 21 February 2010 between, the Company and IGE as described in more detail on pages 7 and 8 of this document;
“SAMREC”	South African Code for the Reporting of Mineral Resources and Mineral Reserves;
“SEK”	the Swedish Krona, being the lawful currency for the time being of Sweden;
“Shareholders”	holders of Ordinary Shares;
“UK”	United Kingdom;
“Venmyn Rand”	Venmyn Rand (Pty) Limited;
“£”	the Great British pound, being the lawful currency for the time being of the United Kingdom;
“US\$”	the United States dollar, being the lawful currency for the time being of the United States of America.

Throughout this document, exchange rates of £1:US\$1.49 and £1:NOK8.80 have been used unless otherwise stated, based on the exchange rates as at noon on 10 March 2010, being the last practical date prior to the publication of this document.

LETTER FROM THE CHAIRMAN OF

Pangea DiamondFields plc

(Incorporated and registered in the Isle of Man, with registered number 113016C)

Directors:

William Alan Nairn (*Non-Executive Chairman*)
Robert George Still (*Non-Executive Deputy Chairman*)
Boris Kamstra (*Chief Executive Officer*)
Brett Thompson (*Non-Executive Director*)
Miles Kennedy (*Non-Executive Director*)
Ashley Dunster (*Non-Executive Director*)

Registered Office:

Falcon Cliff
Palace Road
Douglas
Isle of Man
IM2 4LB

11 March 2010

Dear Shareholder

Proposed Disposal of Efidium Limited

1. Introduction

Pangea announced on 22 February 2010 that it had entered into a legally binding conditional sale and purchase agreement with IGE whereby Pangea would merge its diamond interests with IGE by the disposal of the entire issued share capital of Efidium, its principal operating subsidiary. Consideration for the Disposal will, subject to possible adjustment for the net debt of the Efidium Group as described below, be 495,399,057 IGE Shares, which based on the closing mid market price of IGE's shares on the OSE as at 9 March 2010 (being the latest practicable date prior to the publication of this circular), values Efidium at approximately US\$60.4 million or 2.3p per Ordinary Share.

IGE is a mining development company with nickel assets in Sweden, diamond assets in Angola and a portfolio of exploration projects in Sweden and Africa. It is listed on the OSE (ticker: IGE) and has a current market capitalisation of approximately NOK572.9 million (approximately US\$97.1 million).

The proposed Disposal constitutes a "disposal resulting in a fundamental change of business" under Rule 15 of the AIM Rules. Accordingly, completion of the Disposal is conditional, *inter alia*, on approval by Shareholders at a general meeting of the Company.

At the end of this document is a notice convening an Extraordinary General Meeting of the Company, to be held at the Company's registered office, Falcon Cliff, Palace Road, Douglas, Isle of Man, IM2 4LB at 2.00 p.m. on 26 March 2010.

The purpose of this document is to explain the background to and reasons for the Disposal and why the Directors consider the Disposal to be in the best interests of the Company.

It is the Company's intention to distribute the Consideration Shares to Shareholders by way of a voluntary liquidation process. Pangea also intends to apply for cancellation of its admission to trading on AIM. The Company intends to convene a general meeting of Shareholders to approve the appointment of a liquidator and approve the Cancellation as soon as is practically possible following completion of the Disposal. Following the completion of the proposed Disposal, the remaining assets of Pangea will comprise solely the Consideration Shares and limited cash which will be utilised to cover costs associated with the intended distribution and liquidation process noted above.

2. Background to and reasons for the Disposal

Since its admission to trading on AIM in October 2006 the Company has expended considerable effort and resources to explore and develop its portfolio of alluvial diamond projects across three countries and to bring these projects into production. The Cassanguidi project in Angola has been successfully brought into production and subject to the expected receipt of a Mining Right and availability of

funding, the Bakerville project in South Africa is ready to commence commercial scale operations before the end of 2010. Significant SAMREC compliant resources have been defined across the Harts River project in South Africa and the Longatshimo River and Tshikapa River projects in the DRC and the Directors consider that viable mining operations can be established at each of these projects, potentially generating an attractive return on the further investment required.

Despite the progress made to date, the Directors believe that the value inherent in the Company's portfolio has not been recognised by the AIM market and that the Company's share price performance, coupled with a lack of liquidity in the Ordinary Shares represents a significant barrier to the Company's further development and ability to raise funds in a manner that would create value for Shareholders.

The merger of Pangea's diamond operations with those of IGE seeks to create such value and furthers the ambitions of both companies to become significant players within the African diamond mining sector as part of a stronger, merged entity.

For Pangea, the merger offers its Shareholders continued exposure to an expanded portfolio of diamond projects in addition to exposure to IGE's attractive Rönnbäcken Nickel Project in Sweden.

The enlarged IGE will become a significant diamond exploration and mining company in Africa, with nine diamond projects in Angola, South Africa and the DRC. IGE's diamond portfolio will comprise one project in commercial operation (Cassanguidi, Angola), a second project ready for commercialisation (Luxinge, Angola) and a third project expected to commence production later this year (Bakerville, South Africa).

The critical mass and wider shareholder base provided by the merger of the Pangea and IGE assets is expected by the Board to enhance access to the capital required to bring a significant portfolio of attractive diamond projects into production.

The combination of the Pangea and IGE management teams and operational staff brings together two strong teams with considerable diamond experience. It will allow for a more rapid development of the project portfolio than on a standalone basis and provides opportunities to maximise efficiency within a merged organisation. In particular, IGE's Luxinge project is located just 50km from Pangea's Cassanguidi project, providing significant opportunities for operational synergies and enabling the merged company to benefit from the experience gained by Pangea in bringing Cassanguidi into production. In addition IGE has an established presence in Angola with strong management well versed in operating in this region.

3. Current Trading and Prospects

Efidium is a wholly owned subsidiary of the Company and is in turn the holding company for all of the Company's operating activities, excluding the administrative and corporate activities of its parent company.

The immediate focus for the Company is the ramp up of production at the Cassanguidi project in Angola. Following the commissioning of upgraded processing facilities at Cassanguidi in December 2009 the Company is working towards a steady state production target of 6,000 carats per month based on a plant throughput of 30,000m³ of in situ gravels per month. An enhanced mining fleet is expected to be fully operational by the end of March 2010 at which point the ramp up to targeted production levels will commence.

Following the successful completion of pilot mining at Bakerville, mining activities are currently suspended pending the transition to a full scale commercial operation on receipt of a Mining Right which is expected in August 2010. The Company is currently well ahead of the required submission dates in relation to this application. Subject to the availability of the funding required to bring Bakerville into production, it is expected that commercial production could commence within six months of the receipt of the Mining Right.

At the Longatshimo River project a bulk sampling program was successfully completed in March 2009 with a total of 3,000 carats being recovered. SAMREC compliant Indicated resources of 0.5 million

carats and Inferred resources of 3 million carats have been independently verified by C A Telfer of Venmyn Rand. During the exploration and bulk sampling program sufficient data on the sedimentology, geology, required mining and processing methods and operational requirements for the design of a commercially viable operation was obtained. Operations were suspended pending the acquisition of additional equipment to scale the operations up to commercial scale. The additional equipment required for a potential monthly production of approximately 4,000 carats is an enhanced earthmoving fleet and upgraded recovery unit with X-ray recovery equipment.

A detailed exploration and gravel pumping programme has been completed at the Tshikapa River project. SAMREC compliant Inferred resources of over 3 million carats with low stripping ratios have been independently verified by C A Telfer of Venmyn Rand. Due to financial constraints in 2009, the terrace exploitation programme was modified to focus on the potential of the river and gravel flats with the aid of a pumping exercise, whereby the project costs were self sustaining. The results to date have been very encouraging, indicating that this area could support a commercial mining operation. The design of a bulk sampling plant and mining fleet specifications have been established.

The 250km Harts River palaeo-channel gravel deposit has been evaluated in detail from which the best 35km stretch was selected and is the current project area on which it is estimated that more than 150 million tonnes of gravel are present. Exploration drilling over a portion of the deposit has been completed from which a SAMREC compliant Inferred resource of 23 million tonnes containing 126,374 carats at 0.55ct/100m³ has been independently verified. A bulk sampling operation completed in 2007 treated more than 240,000 tonnes of gravel through a pan and Dense Medium Separation plant to recover 1,130 carats. The average stone size was over 1 ct and the largest stone was 60.21 ct. The stones sold for US\$1,050/ct in 2006/7. This deposit is similar to other deposits currently being mined in the Lower Orange River and has the potential to be mined by a very large scale, low cost, mining operation, recovering high-value diamonds from relatively low grade gravels. Further activity at this project has been suspended as significant capital expenditure is required to establish a full scale mining operation.

On 9 March 2010, the Company announced the disposal of its Dimbi project to a senior employee of the Company and the intended closure of its Etoile project, marking its exit from the CAR.

4. Key Terms of the Disposal

The key terms of the Sale and Purchase Agreement are as follows:

Consideration

- The consideration is to be settled by the issue of 495,399,057 IGE Shares valued at approximately US\$60.4 million and representing approximately 38.4 per cent. of IGE's issued share capital as enlarged by the issue of the Consideration Shares.
- Should the net debt of the Efidium Group as at the Closing date exceed US\$3.5 million on the basis set out in the Sale and Purchase Agreement, the number of Consideration Shares is to be reduced by such number of IGE Shares equal in value to the excess net debt above US\$3.5 million calculated at a rate of NOK0.53 per IGE Share and the prevailing US\$:NOK exchange rate. Should the net debt of the Efidium Group as at the Closing date be less than US\$2.5 million, the number of Consideration Shares is to be increased on the same basis.

Conditions Precedent

Following the satisfaction of a number of conditions precedent as set out in the Sale and Purchase Agreement subsequent to its signature on 21 February 2010, completion of the Disposal remains subject to the satisfaction or waiver of the following conditions precedent:

- (i) approval of Pangea shareholders in general meeting;
- (ii) approval of IGE shareholders in general meeting;
- (iii) approval of the OSX for all documents required to ensure that the Consideration Shares can be traded on the OSX;

- (iv) approval of the OSX for the admission of the Consideration Shares to trading on the OSX;
- (v) that Pangea delivers to IGE written undertakings from shareholders representing not less than 60 per cent. of its issued share capital not to dispose of any IGE Shares issued to them for a period of 90 days from the date they are issued to Pangea; and
- (vi) that Pangea delivers to IGE written undertakings from shareholders representing not less than 10 per cent. of its issued share capital not to dispose of any IGE Shares issued to them for a period up until 31 January 2011.

Warranties

The Sale and Purchase Agreement contains certain warranties in favour of the Company and IGE which are customary for a transaction of this nature, subject to certain limitations on their liability. The aggregate liability under the Sale and Purchase Agreement for the Company cannot exceed 7.5 per cent. of the Consideration Shares. The aggregate liability for breaches of warranty under the Sale and Purchase Agreement for IGE cannot exceed NOK13.1 million.

5. Information on IGE

IGE, is a Swedish exploration and mining group focused on diamonds, nickel and gold. IGE started bulk sampling of alluvial diamonds in Angola and has been running a gold exploration program in Kenya since early 2009. IGE has an extensive portfolio of gold, base metal and diamond projects in Angola, Sweden, and Kenya. IGE has its shares listed on the OSX (ticker: IGE) with a large shareholder base of over 6,000 shareholders and a significantly higher trading liquidity than is the case for Pangea's Ordinary Shares. The company is headquartered in Stockholm, Sweden.

IGE's primary assets comprise:

- (i) the Rönnbäcken nickel project in Sweden, where IGE is evaluating the possibility of a large tonnage, low stripping ratio, open pit nickel sulphide mine that could potentially produce a high grade nickel concentrate; and
- (ii) its diamond project portfolio, with a current focus in the development of its alluvial and kimberlite diamond assets in Angola. IGE holds four diamond concessions in Angola including the Luxinge project which is approximately 50km away from Pangea's Cassanguidi project.

IGE's most advanced base metal project is the Rönnbäcken Nickel project in Sweden. The evaluation and advancement of this large, low grade, details can be accessed on the IGE website, www.IGE.SE and on that of its subsidiary, IGE Nordic AB, on www.igenordic.se. Given the importance of this project a presentation summary is also available from the Pangea website: www.pangeadiamondfields.com.

Attributes of the Rönnbäcken Nickel project include:

- an experienced management team comprising some nine individuals with over 200 years of combined experience in the nickel industry with Falconbridge, BHP, Boliden, Rio Tinto, and Xtrata covering all the world's major nickel mining and processing regions including Canada, Europe and Russia, Africa and Australia and having the requisite skills in geology, mining, metallurgy, environment and the nickel industry to progress the project;
- a NI 43-101 compliant report by J J Cox, W W Valiant and C S Kevin of Scott Wilson Roscoe Postle Associates Inc showing a nickel project resource of 54.9 million tonnes Indicated and 193 million tonnes Inferred, with significant upside potential to increase this following exploration in progress on the extensive project area where less than 5 per cent. has been explored;
- well established infrastructure, projected low strip ratios, favourable topography for site layouts, and nearby hydro power;
- unique mineralogy leading to good metal recoveries and, critically, the ability to produce a high grade nickel concentrate; and
- significant advances in project permitting.

Preliminary assessment by IGE indicates that the project is viable and potential exists in Pangea's opinion having consulted with industry experts, for ongoing exploration, metallurgical and other planned project work to add significant value to the project.

In Angola IGE has a diamond bulk sampling operation at its Luxinge concession. IGE has presented the Technical and Financial evaluation for Luxinge to Endiama, the governmental body responsible for the regulation of the diamond industry in Angola, which is the final step to achieving commercial status of the project allowing it to sell its production. Ratification of this is expected in the coming months. This project is equipped to operate at pilot mining level. IGE has three other diamond concessions which include both alluvial and kimberlite licenses.

For the three years ended 31 December 2009, IGE has reported the following financial information:

<i>SEK 1,000</i>	<i>2009</i>	<i>2008</i>	<i>2007</i>
Revenue	15,169	49,916	–
Operating profit	(66,859)	(49,800)	(66,023)
Net profit	(65,782)	(56,787)	(62,529)
Fixed assets	267,920	238,387	118,898
Current assets	59,356	49,174	144,801
Total Assets	327,276	287,561	263,699
Equity	306,165	243,724	244,899
Long term liabilities	12,065	24,929	0
Current liabilities	9,046	18,908	18,800
Total Equity and Liabilities	327,276	287,561	263,669
<i>US\$: SEK exchange rate as at 31 December</i>	<i>7.16</i>	<i>7.88</i>	<i>6.46</i>

Revenues recognised in 2008 and 2009 are primarily attributable to non-recurring sales of projects and exploration permits.

6. Consideration and Distribution of IGE Shares to Shareholders

Subject to possible adjustment for the net debt of the Efidium Group as described above, the consideration for the Disposal will be the issue to Pangea by IGE of 495,399,057 IGE Shares.

In order to incentivise the current key senior management and employees of Pangea which will be key to creating value for the merged entity and the enlarged IGE's combined shareholder base, Pangea and IGE, by mutual agreement, have decided to allocate up to 5 per cent. of the Consideration Shares to an employee benefit trust or similar vehicle. Beneficiaries of the proposed employee benefit trust are expected to include (amongst others) Boris Kamstra, Brett Thompson, Rob Still, Bill Nairn and Miles Kennedy, each current directors of Pangea. This allocation will, in part, provide compensation for their services as directors since mid 2008 for which no fees have been sought or paid. Consideration Shares held by the employee benefit trust or similar vehicle for its beneficiaries will vest over a 20 month period following completion of the Disposal.

The Company will hold up to 7.5 per cent. of the Consideration Shares as security against warranties given in favour of IGE pursuant to the Sale and Purchase Agreement until 31 January 2011. Should funds be received against an expected receivable prior to 31 January 2011, the number of Consideration Shares to be held by Pangea as security may be reduced by up to 2.5 per cent. of the Consideration Shares.

Following the Closing Date it is the intention of Pangea to achieve a tax efficient distribution of the Consideration Shares to Shareholders as quickly as possible. Pangea intends that such distribution will be achieved by way of a members voluntary liquidation of Pangea with the liquidator making an

interim distribution of approximately 87.5 per cent. of the Consideration Shares to Shareholders as soon as is practically possible following the completion of the Disposal.

The appointment of a liquidator to facilitate the distribution of the Consideration Shares will require the approval of Shareholders in general meeting. The Company intends to convene the required general meeting shortly after the completion of the Disposal. At the same general meeting, the Company will seek the approval of Shareholders to apply for cancellation of the Company's admission to trading on AIM. Shareholders should be aware that following the appointment of a liquidator, it is possible that the Company may no longer be considered to be an appropriate company for AIM and therefore trading in the Ordinary Shares may be suspended following the appointment of a liquidator, in advance of the proposed cancellation of the Company's admission to trading on AIM.

7. Financial effects of the Disposal

Efidium is the holding company for all of Pangea's operating activities excluding the administrative and corporate activities of Pangea DiamondFields plc, its parent company.

In its interim results for the six months ended 30 June 2009 and the three years ended 31 December 2008, Pangea has disclosed the following financial information:

<i>US\$000</i>	<i>1H 2009</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>
Diamond revenue	896	2,803	4,817	3,092
Other income	894	4,534		
Operating result*	(8,972)	(17,312)	(19,814)	(15,250)
Net result	(8,971)	(17,198)	(19,019)	(14,855)
Non-current assets	8,774	13,304	15,723	10,711
Current assets	4,496	8,111	4,673	26,641
Equity	12,285	20,930	16,115	32,083
Non-current liabilities		0	3,787	4,009
Current liabilities	985	486	495	931
Total balance sheet	13,270	21,416	20,396	37,352

*Note: All exploration costs have been expensed and not capitalised. This expense constitutes the majority of the operating costs.

As part of the due diligence process in relation to the Disposal, unaudited, preliminary financial information for the year ended 31 December 2009 was shared with IGE. The preliminary results show that the Company recorded diamond revenue of US\$2.0 million and a loss for the period of US\$13.1 million after expensing all exploration costs. As at 31 December 2009 the Company had cash on hand of US\$0.4 million.

Subsequent to 31 December 2009 the Company has been reliant for its working capital funding upon a loan facility of US\$2.8 million provided by Pangea Exploration (Proprietary) Limited, a mineral exploration company in which a trust associated with Rob Still, the Company's Deputy Chairman is a substantial shareholder

8. Taxation

In structuring the distribution of IGE Shares to Shareholders by way of the proposed members voluntary liquidation, Pangea has sought to have the distribution taxed as a capital distribution rather than an income distribution. Pangea makes no representation or warranty concerning the tax treatment of the Disposal or the proposed distribution of the Consideration Shares. Any person who is in any doubt as to his tax position is strongly recommended to consult his professional advisers immediately.

9. General Meeting

Completion of the Disposal is conditional, *inter alia*, on approval by Shareholders at a General Meeting of the Company. Accordingly, there is set out at the end of this document a notice convening an Extraordinary General Meeting of the Company to be held at the Company's registered office, Falcon Cliff, Palace Road, Douglas, Isle of Man, IM2 4LB at 2.00 p.m. on 26 March 2010.

The following Resolution will be proposed at the Extraordinary General Meeting as an ordinary resolution:

“That the Disposal as described in the Circular to Shareholders dated 11 March 2010 be approved and the Directors of the Company be authorised to complete the sale of the entire issued share capital of Efidium Limited and the Intercompany Claims as defined in such Circular”.

10. Action to be taken

A Form of Proxy is enclosed for use at the Extraordinary General Meeting. Whether or not you intend to be present at the Extraordinary General Meeting in person, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it to Computershare as soon as possible and, in any event, so as to arrive not later than 2.00 p.m. on 24 March 2010. Unless the Form of Proxy is received by this date and time, it will not be valid.

The completion and return of a Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you so wish.

11. Recommendation

The Directors are unanimously in favour of the proposed Disposal, which they consider is in the best interests of Shareholders. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the resolution, as they have irrevocably undertaken to do in respect of their own beneficial shareholdings which amount in aggregate to 10,506,000 Ordinary Shares, representing approximately 0.6 per cent. of the Company's issued share capital.

Yours sincerely

W A Nairn
Chairman

NOTICE OF GENERAL MEETING

Pangea DiamondFields plc

(Incorporated and registered in the Isle of Man, with registered number 113016C)

NOTICE IS HEREBY GIVEN that a General Meeting of Pangea DiamondFields plc (the “Company”) will be held at the Company’s registered office, Falcon Cliff, Palace Road, Douglas, Isle of Man, IM2 4LB at 2.00 p.m. on Friday, 26 March 2010 to consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

ORDINARY RESOLUTION

THAT the disposal as described in the Circular to Shareholders dated 11 March 2010 be approved and the Directors of the Company be authorised to complete the sale of the entire issued share capital of Efidium Limited and the Intercompany Claims as defined in such Circular.

By Order of the Board

M C Weipers
Secretary

Date: 11 March 2010

Registered office:

Falcon Cliff
Palace Road
Douglas
Isle of Man
IM2 4LB

Notes:

1. A member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. A form of proxy is enclosed with this Notice. Instructions for use are shown on the form. A form of proxy must be received by Computershare Investor Services (Jersey) Limited, PO Box 83, 31 Pier Road, St Helier, Jersey, JE4 8PW, Fax: +44 1534 825 315, no later than 2.00 p.m. on Wednesday, 24 March 2010. Completion and return of a form of proxy does not preclude a member from attending and voting in person.
2. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the meeting (and also for the purpose of calculating 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 6.00 p.m. on Wednesday, 24 March 2010, being not more than two working days before the time fixed for the meeting. 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.
3. The Register of Directors’ Interests in the share capital and debentures of the Company, together with copies of service agreements under which directors of the Company are employed, are available for inspection at the Company’s Registered Office during normal business hours from the date of this notice until the date of the Extraordinary General Meeting and will also be available for inspection at the place of the Extraordinary General Meeting for at least 15 minutes prior to and during the meeting.
4. All defined terms used in this Notice shall have the same meaning as in the Circular of the Company dated 11 March 2010.

Pangea DiamondFields plc

(Incorporated and registered in the Isle of Man, with registered number 112016C)

FORM OF PROXY

FORM OF PROXY FOR THE EXTRAORDINARY GENERAL MEETING TO BE HELD AT THE COMPANY'S REGISTERED OFFICE, FALCON CLIFF, PALACE ROAD, DOUGLAS, ISLE OF MAN, IM2 4LB AT 2.00 P.M. ON 26 MARCH 2010

I/We

of

being (a) holder(s) of..... Ordinary Shares of \$0.005 each in
Pangea DiamondFields plc

HEREBY APPOINT

either: 1. The Chairman of the meeting

or failing him 2.

of

as my/our proxy to attend, vote and speak in my/our name(s) and on my/our behalf at the Extraordinary General Meeting of the Company to be held at the Company's registered office, Falcon Cliff, Palace Road, Douglas, Isle of Man, IM2 4LB at 2.00 p.m. on 26 March 2010 and at any adjournment of the same.

I DIRECT AND REQUIRE that my proxy votes as follows in relation to the resolutions set out in the notice of the meeting.

Resolution	For	Against	Vote Withheld
1. THAT the disposal as described in the Circular to Shareholders dated 11 March 2010 be approved and the Directors of the Company be authorised to complete the sale of the entire issued share capital of Efidium Limited and the Intercompany Claims as defined in such Circular.			

NOTE: Unless otherwise instructed a proxy may use his own discretion whether to vote or to abstain from voting. Also, unless otherwise instructed, a proxy who does vote may do so as he thinks fit.

Signature..... Date.....

Print name

Notes:

- To be valid this form must be completed, signed and returned as soon as possible and, in any event, so as to reach Computershare Investor Services (Jersey) Limited, PO Box 83, 31 Pier Road, St Helier, Jersey, JE4 8PW, by no later than 2.00 p.m. on 24 March 2010.
- If you sign the form and return it to the Company without specific directions, the proxy will exercise his discretion both as to how he votes and as to whether or not he abstains from voting.
- If any other proxy is desired other than the Chairman of the Meeting, strike out the words 'the Chairman of the Meeting or' insert the name of the proxy preferred and initial the alteration. A proxy need not be a member of the Company and you may appoint more than one proxy.
- In the case of joint holdings, the signature of any joint holder is sufficient
- In case of an individual, this form must be executed by the individual or his attorney and in the case of the latter, the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be deposited with the form of proxy.
- In the case of a corporation, this form must be executed under the common seal or by two directors or by a director and a secretary or under the hand of a duly authorised officer or attorney.
- The completion and return of this form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting.



Third Fold and Tuck in



Computershare Investor Services (Jersey) Limited
P0 Box 83
31 Pier Road
St Helier
Jersey
JE4 8PW

First Fold

Second Fold