

NOTICE OF ANNUAL GENERAL MEETING

PANGEA DIAMONDFIELDS PLC

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

Registered office:
Falcon Cliff
Palace Road
Douglas
Isle of Man
IM2 4LB

23 April 2009

NOTICE IS HEREBY given that the annual general meeting of Pangea Diamondfields plc (the “Company”) will be held at Falcon Cliff, Palace Road, Douglas, Isle of Man IM2 4LB at 12.00 p.m. on 15 May 2009.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. that the board is hereby empowered to issue and allot 38,897,281 (thirty eight million, eight hundred and ninety seven thousand, two hundred and eighty one) ordinary shares in the capital of the Company for cash at an issue price of 1.324 pence per share to settle certain outstanding commitments associated with the Company’s Open Offer announced on 20 November 2008, as if Article 6 of the Company’s Articles of Association did not apply to such issue and allotment, so that such issue and allotment can be made without the board having made a pre-emptive offer under Article 6.1;
2. that the board is hereby empowered to issue and allot for cash up to in aggregate 534,000,000 (five hundred and thirty four million) ordinary shares in the capital of the Company (representing approximately 30% (thirty per cent) of the Company’s issued share capital following the issue referred to in resolution 1 above) as if article 6 of the Articles of Association of the Company did not apply to any such issue and allotment, so that (i) any issues and allotments pursuant to the authority granted by this resolution can be made without the board having made a pre-emptive offer under Article 6, and (ii) for the avoidance of doubt, the authority conferred by this resolution 2 shall replace the authority in relation to allotments of shares of up to US\$150,000 of nominal value referred to in Article 6.2 of the Company’s Articles of Association, but shall be in addition to (and not inclusive of) the authority conferred by resolution 1.

ORDINARY BUSINESS

1. To receive and adopt the Reports of the Directors and Auditor and the Consolidated Financial Statements for the year ended 31 December 2008.
2. To elect directors of the Company:

The following directors retire in accordance with the Company’s Articles of Association and being eligible, offer themselves for re-election:

- 2.1 Mr William Alan Nairn;
- 2.2 Mr Miles Alastair Kennedy;
- 2.3 Mr Ashley John Dunster.
3. To re-appoint KPMG as Auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the directors to fix their remuneration.

By order of the Board

M C Weipers
Secretary

Date: 23 April 2009

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 the Company's Registrars, Maitland Services Limited, no later than 12.00 noon on 13 May 2009. 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 12.00pm on 13 May 2009, 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 Annual General Meeting and will also be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting.
4. The printed Report and Accounts will be sent to shareholders in due course. However, there is no guarantee that the printed version will be received by shareholders prior to the meeting. Therefore, shareholders are advised to download the electronic version of the Report and Accounts from the Company's website at www.pangeadiamondfields.com where they are now available.

ANNEXURE

PANGEA DIAMONDFIELDS PLC

EXPLANATION OF THE SPECIAL BUSINESS OF THE AGM

1. Resolution 1

- 1.1 On 20 November 2008, the Company announced an Open Offer for the issue of up to 2,007,745,770 new Ordinary Shares at 0.5 pence per Ordinary Share, on the basis of 15 Offer Shares for each existing Ordinary Share.
- 1.2 On 27 February 2009, the Company announced that the Open Offer had effectively been closed with a total of 1,608,579,082 Offer Shares having been issued, providing gross proceeds of US\$12 million. It was also announced at that time that applications in respect of 137,248,185 Offer Shares remained unpaid and given that these applications were also associated with legally binding irrevocable undertakings, the Company would continue to take steps to pursue the recovery of monies owed.
- 1.3 The Company announced on 9 April 2009 that it had negotiated a settlement in respect of the outstanding commitments associated with the Open Offer and had since received a final settlement payment of £515,000. In terms of the final negotiated settlement the Company will, subject to shareholder consent at the Company's AGM, issue by private placement a further 38,897,281 ordinary shares at an issue price of 1.324 pence, which represents a premium of 165% over the Open Offer price of 0.5 pence.
- 1.4 Resolution 1 seeks the necessary shareholder consent referred to in the announcement of 9 April 2009. The net result of the settlement is that fewer shares will be issued than would have been the case if the Open Offer commitments had all been met on time, but the Company will have received the same amount of cash as it would have received if the commitments had been met on time.

2. Resolution 2

- 2.1 Article 6 contains restrictions on the issue of equity securities (as defined in the Articles) unless the board has made an offer to each person who holds equity securities of the same class to allot such number of the new equity securities on the same or more favourable terms in such proportion as equals the proportion the existing holding of equity securities of the same class represents of all the issued shares of that class (the "Pre-Emption Right").
- 2.2 Under Article 6.2, the Pre-Emption Right does not apply to (i) equity securities wholly or partly paid up otherwise than in cash, (ii) securities allotted under an employee share scheme, (iii) the allotment of equity securities pursuant to a placing undertaken at or around the time of first admission of the Company's shares to a non-United Kingdom stock exchange, and (iv) the first allotments of equity securities after the date of adoption of the new Articles at last year's AGM (other than under (i) to (iii) above) up to US\$150,000 nominal value.
- 2.3 At the time of adoption of the Company's new Articles of Association at last year's AGM, the US\$150,000 of nominal value (i.e. 30,000,000 Shares) "headroom" granted by the Articles amounted to approximately 22.5% of the Company's then issued share capital. Since then the Company's issued share capital has been increased substantially as a result of the Open Offer. Resolution 2 effectively refreshes and increases the US\$150,000 nominal value figure in Article 6.2 with a new figure of approximately 30% of the issued share capital following the issue referred to in resolution 1. Article 6.1 specifically provides that authority for non-pre-emptive cash issues can be granted by ordinary resolution.

PROXY FORM

Please insert the member's(s) full names(s) and address(s) in BLOCK LETTERS

I/We of

.....
 being a member/members of Pangea DiamondFields plc hereby appoint the Chairman of the Meeting *, or failing him as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Falcon Cliff, Palace Road, Douglas, Isle of Man IM2 4LB at 12.00 p.m. on 15 May 2009 and at any adjournment thereof.

If you wish to appoint your own proxy delete the words "the Chairman of the Meeting" and insert in BLOCK LETTERS the name of your proxy in the space provided.

Please indicate with an X in the spaces below how you wish your votes to be cast. If you do not specify how you wish your votes to be cast then you will be deemed to have authorised your proxy to vote or abstain from voting as he/she thinks fit.

		FOR	AGAINST
SPECIAL BUSINESS			
1.	To authorise the board to issue and allot 38,897,281 (thirty eight million, eight hundred and ninety seven thousand, two hundred and eighty one) ordinary shares in the capital of the Company at an issue price of 1.324 pence to settle outstanding commitments in relation to the Open Offer.		
2.	To authorise the board to issue and allot for cash, up to, in aggregate 534,000,000 (five hundred and thirty four million) ordinary shares in the capital of the Company, representing approximately 30% (thirty per cent) of the Company's issued share capital as if article 6 of the articles of association of the Company did not apply to such issue and allotment, such authority to be in addition to that contained in resolution 1.		
ORDINARY BUSINESS			
1.	To receive and adopt the Reports of Directors and Auditor and the Consolidated Financial Statements for the year ended 31 December 2008		
2.1	To re-elect Mr. William Alan Nairn as a director of the Company		
2.2	To re-elect Mr. Miles Alastair Kennedy as a director of the Company		
2.3	To re-elect Mr. Ashley John Dunster as a director of the Company		
3.	To re-appoint KPMG as auditor and to authorise the directors to fix their remuneration		

Date 2009

Signature _____