



Weatherly International plc Notice of Annual General Meeting

Notice of an Annual General Meeting of the Company to be held at the offices of Morrison & Foerster (UK) LLP at 7th Floor, CityPoint, One Ropemaker Street, London EC2Y 9AW on 22 December 2009 at 11.00 am is set out at the end of this document.

A form of proxy for use at the Annual General Meeting is enclosed with this document. Shareholders are requested to complete and return the form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon whether or not they intend to be present at the meeting. To be valid for use at the meeting, the form of proxy should be returned so as to be received by the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible but in any event no later than 11.00 am on 20 December 2009. Alternatively, proxies may be sent by fax to FAO: Adam Timms, Capita Registrars, fax number +44 (0)20 8639 2482; the same returning rules apply for receipt. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting at the meeting in person.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action you should take, you should consult your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) immediately.

If you have sold or otherwise transferred all your ordinary shares in Weatherly International plc, you should pass this document, together with the accompanying form of proxy and accounts, 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.

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

"1985 Act"	the Companies Act 1985
"2006 Act"	the Companies Act 2006
"Accounts"	the audited financial statements of the Company for the year ended 30 June 2009
"Annual General Meeting" or "AGM"	the Annual General Meeting of the Company convened for 11.00 am on 22 December 2009 pursuant to the Notice of Annual General Meeting which appears at the end of this document
"Articles"	the Articles of Association of the Company in force at the date of this document
"Board" or "Directors"	the board of directors of the Company
"Company" or "Weatherly"	Weatherly International plc
"Form of Proxy"	the form of proxy accompanying this document for use at the Annual General Meeting
"New Articles"	the new Articles of Association of the Company proposed to be adopted at the AGM
"Ordinary Shares"	ordinary shares of 0.5 pence each in the capital of the Company
"Resolutions"	the resolutions set out in the Notice of Annual General Meeting which appears at the end of this document
"Shareholders"	holders of ordinary shares

Weatherly International plc

(Registered in England & Wales number 3954224)

Directors:

Dr Wolf Martinick (*Chairman*)
Rod Webster (*Chief Executive Officer*)
John Bryant (*Non-executive*)
Alan Stephens (*Non-executive*)

Registered Office:

180 Piccadilly
London
W1J 9HF

23 November 2009

Dear Shareholder

Introduction

You will find enclosed with this document the annual report of the Company setting out the results for the year ended 30 June 2009. This letter contains the formal Notice of the Annual General Meeting of the Company and provides some additional information on the resolutions.

Annual General Meeting

You will find set out at the end of this document a notice convening the Annual General Meeting of the Company for 11.00 am on 22 December 2009, at which resolutions will be proposed:

- 1 to receive and adopt the Company's Annual Report and Accounts for the financial year ended on 30 June 2009, and the Directors' Report and the Independent Auditors' Report on those accounts;
- 2 to reappoint as a Director Rod Webster who, in accordance with the Articles, is required to retire by rotation at the Annual General Meeting and, being eligible, offers himself for reappointment;
- 3 to reappoint Grant Thornton (UK) LLP as the auditors of the Company until the next annual general meeting;
- 4 to authorise the Directors to determine the level of the remuneration of the auditors;
- 5 to adopt the New Articles;
- 6 to grant the Directors authority to allot shares in the capital of the Company; and
- 7 to grant the Directors the power to disapply the statutory pre-emption rights for certain shares.

Resolutions 1, 3 and 4 are self-explanatory. Information on the other resolutions is provided below. Resolutions 1 – 4 and 6 are ordinary resolutions which require to be passed the approval of a simple majority of shareholders present and voting in person or by proxy or authorised representative. On a show of hands each shareholder so present has one vote, but should a poll be demanded each such shareholder has one vote for each share held by him or her. Resolutions 5 and 7 are special resolutions that require to be passed the approval of 75% of such shareholders, determined in the same way as for the ordinary resolutions.

Resolution 2: Reappointment of Rod Webster as a Director

Mr Webster is liable to retire by rotation at the Annual General Meeting under the Articles, and offers himself for re-election. Mr Webster was appointed to the Board in July 2005. He has approximately 35 years of experience in the resource industry. After leaving Western Metals Limited in 2000, he joined First Quantum Minerals Limited and acted as senior executive until February 2005. Further biographical details of Mr Webster are available at www.weatherlyplc.com.

Resolution 5: Adoption of the New Articles

On 1 October 2009, all the provisions of the memorandum of association of the Company other than the subscription clause, including the objects clause and share capital clause, became incorporated into the Company's Articles of Association, pursuant to the 2006 Act. Companies incorporated under the 2006 Act will not, unless special provision is made, have any objects clause (their activities being unrestricted) or any limitation on the number of shares they may issue, and the prevailing market practice is for pre-2006 Act incorporated companies to follow suit. Notwithstanding that the share capital is unlimited, the Directors cannot allot any shares without authority from the shareholders to do so. The proposed resolution therefore deletes from the Articles all the provisions carried over from the memorandum of association, except those provisions setting out the name of the Company, and adopts the New Articles which comply fully with the Companies Act 2006.

Furthermore, if passed, the resolution will allow the Company to take advantage of electronic communications in giving notices to its shareholders and facilitate website communication. A separate letter is enclosed with this document outlining the changes and asking shareholders for email addresses to facilitate electronic communications. It is important to note that even if

shareholders do not respond to the enclosed letter, the 2006 Act deems their consent to have been given to website communication. If shareholders elect to take up electronic communications, significant cost savings to the Company can be expected.

An explanation of the principal changes made in the New Articles appears on page 5 of this document. The New Articles, showing all the changes from the previous Articles, are available for inspection as noted on page 8 of this document.

Resolution 6: Authority to issue shares

At the Annual General Meeting held on 31 March 2009, the Directors were authorised, in accordance with section 80 of the 1985 Act, to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £880,614. This authority expires at the conclusion of this Annual General Meeting and it is therefore proposed to replace it with a new authority, granted under section 551 of the 2006 Act, which will allow the Directors to allot ordinary shares and to grant rights to subscribe for or to convert any securities into ordinary shares up to an aggregate nominal amount of £857,617.

Assuming the passing of the resolution, the new authority will expire 15 months from the date of the passing of the resolution or until the conclusion of the next annual general meeting, if earlier, and will revoke all previous authorities to the extent that they have not already been utilised.

Resolution 7: Disapplication of pre-emption rights

Section 561 of the 2006 Act contains pre-emption rights that require all equity shares which it is proposed to allot for cash to be offered to existing shareholders in proportion to existing shareholdings, unless a special resolution is passed to disapply such pre-emption rights. Such rights do not apply to an issue otherwise than for cash, such as an issue in consideration of an acquisition. The Directors believe that these requirements are too restrictive and it is proposed that the Directors should be able to allot shares amounting to no more than an aggregate nominal amount of £445,892 representing approximately 20 per cent of the equity share capital of the Company otherwise than on a pre-emptive basis.

In addition, it is customary to disapply the statutory pre-emption rights altogether, and substitute similar non-statutory provisions because, for technical reasons, the statutory rights are difficult to apply in certain circumstances. The proposed resolution therefore also provides a pre-emption disapplication in respect of allotments up to an aggregate nominal amount authorised by resolution 6 in the form of rights issues, open offers, scrip dividend schemes or other pre-emptive issues and free of the statutory constraints. The broadening of the proposed resolution to include pre-emptive issues other than rights issues is a departure from the strict wording of the ABI guidelines which is limited to rights issues, which the Directors regard as too restrictive, especially as AIM companies normally make open offers and not rights issues. The above departures from the strict wording of the ABI guidelines should not be taken to indicate that they are being disregarded, but rather that the proposed resolutions are designed to provide greater flexibility for the Directors to determine the form of any future pre-emptive issues in the light of market conditions and practice, and the views of our major institutional shareholders, at the time such an issue may be proposed.

Action to be taken

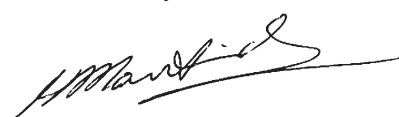
A form of proxy for use at the Annual General Meeting is enclosed. If you are a shareholder, you are advised to complete and return the form in accordance with the instructions printed on it so as to arrive at the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible, but in any event no later than 11.00 am on 20 December 2009. Proxies may also be sent by fax to +44 (0)20 8639 2482, FAO: Adam Timms, Capita Registrars, the same returning rules apply for receipt.

The completion and return of a form of proxy does not preclude you from attending and voting at the Annual General Meeting if you so wish.

Recommendation

The Directors consider the resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its shareholders. Accordingly, the Directors unanimously recommend shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

Yours faithfully,



Wolf Martinick
Chairman

EXPLANATION OF THE CHANGES BETWEEN THE EXISTING AND PROPOSED NEW ARTICLES

1 The Company's objects

On 1 October 2009, the objects clause and all other provisions contained in the Company's memorandum were henceforth deemed to be contained in the Company's Articles but the Company can remove these provisions by special resolution. The Company's memorandum contains, amongst other things, the objects clause which sets out the scope of the activities which the Company may undertake. This is drafted in very wide terms.

The 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes 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 on 1 October 2009 became part of the Company's Articles, except the provision specifying the name of the Company. Resolution 5 will achieve this. As this resolution will also remove the statement in the memorandum regarding limited liability, the New Articles contain an express statement as to the limited liability of the shareholders.

2 The Company's share capital

Resolution 5 will also remove from the Articles the statement of the Company's former authorised share capital, which on 1 October 2009 became a provision of the articles limiting the nominal amount of shares which the Directors can allot. The New Articles do not contain such a limit, so the share capital of the Company will be unlimited. The Directors will still however require an authority from the shareholders to allot shares, as contained in the proposed Resolution 6, except that no such authority is required to allot shares pursuant to an employee share scheme.

3 Other provisions of the New Articles

The opportunity is being taken to bring the articles of association of the Company into conformity with the 2006 Act and current practice. The following are the principal proposed changes to be made by the New Articles:

The New Articles have been amended to reflect the fact that all general meetings, other than annual general meetings, can be convened on 14 clear days' notice.

The New Articles have been amended to reflect the provisions of section 327 of the 2006 Act as to the cut-off time for delivering a proxy notice whereby non-business days and bank holidays in England may be excluded in calculating the 48 hour or 24 hour cut-off time.

The 2006 Act permits a company to empower its Directors to authorise any interest of a Director, which conflicts or may conflict with the interests of the Company. The New Articles have been amended to such effect. The Board believes that such powers will enable the Company to deal promptly and efficiently with any technical conflict of interest to which a Director may become subject, without necessarily requiring that a shareholders' meeting be convened.

The New Articles have been amended to reflect the view of the Association of British Insurers ("ABI") that there should be a reasonable limit on borrowings. The ABI guideline is that a company's borrowing should be limited to twice the capital and reserves of such company, and the New Articles provide that the Company's borrowing shall be limited to a sum two times the amount of the capital and reserves of the Company.

The New Articles have been amended to enable the Company to send or supply documents or information to its shareholders and directors by electronic means, or by making them available on a website. Included with the Notice of General Meeting is an initial invitation detailing which documents will be available by which means and explaining the procedures which will apply in each case. The Board believes that the proposed amendments in the New Articles, to allow for electronic communications with its shareholders and Directors, will result in significant cost savings for the Company by reducing printing and postal expenses.

Weatherly International plc

(the "Company")

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Weatherly International plc will be held at the offices of Morrison & Foerster (UK) LLP, 7th Floor, CityPoint, One Ropemaker Street, London, EC2Y 9AW on 22 December 2009 at 11.00 am, to consider and, if thought fit, pass the following resolutions of which resolutions 1-4 and 6 will be proposed as ordinary resolutions and resolutions 5 and 7 will be proposed as special resolutions.

Ordinary business

- 1** To receive and adopt the Company's Annual Report and Accounts for the financial year ended 30 June 2009, and the Directors' Report, and the Independent Auditors' Report on those accounts.
- 2** To reappoint as a Director Rod Webster, who is retiring by rotation in accordance with Article 126 of the Company's Articles of Association and who being eligible is offering himself for reappointment.
- 3** To reappoint Grant Thornton (UK) LLP as auditors of the Company from the conclusion of this meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid.
- 4** To authorise the Directors to determine the remuneration of the auditors.

Special business

- 5** That with effect from the passing of this resolution:
 - (A) the existing Articles of Association of the Company are hereby amended by deleting all the provisions of the Company's former Memorandum of Association which, by virtue of section 28 of the 2006 Act, are to be treated as provisions of the Company's Articles of Association, other than the provisions specifying the name of the Company; and
 - (B) the Articles of Association produced to the meeting and initialled by the Chairman thereof for the purpose of identification are hereby adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.
- 6** That in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors of the Company be and are hereby generally and unconditionally authorised, pursuant to section 551 of the 2006 Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "relevant securities") up to an aggregate nominal amount of £857,617 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant or equity securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant or equity securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

- 7** That the Directors are hereby empowered pursuant to section 561 of the 2006 Act to, subject to and conditionally upon the passing of resolution 6, allot equity securities for cash pursuant to the authority conferred by resolution 6 as if section 561(1) of the 2006 Act did not apply to any such allotment and provided that such power:
- (1) shall, subject to the continuance of the authority conferred by resolution 6, expire 15 months after the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and
 - (2) shall be limited to:
 - (a) the allotment of equity securities of up to an aggregate nominal amount of £857,617 pursuant to a rights issue, open offer, scrip dividend scheme or other pre-emptive offer or scheme which is in each case in favour of holders of ordinary shares and any other persons who are entitled to participate in such issue, offer or scheme where the equity securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of ordinary shares held or deemed to be held by them for the purposes of their inclusion in such issue, offer or scheme on the record date applicable thereto, but subject to such exclusions or other arrangements as the Directors may deem fit or expedient to deal with fractional entitlements, legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or stock exchange in any territory, shares being represented by depositary receipts, directions from any holders of shares or other persons to deal in some other manner with their respective entitlements or any other matter whatever which the Directors consider to require such exclusions or other arrangements with the ability for the Directors to allot equity securities not taken up to any person as they may think fit; and
 - (b) the allotment of equity securities for cash otherwise than pursuant to sub-paragraph (a) up to an aggregate maximum nominal amount of £445,892.

By order of the Board:



Max Herbert

Company secretary

180 Piccadilly
London
W1J 9HF

23 November 2009

Registered in England & Wales number 3954224

NOTES

- 1 A shareholder entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote on a show of hands and on a poll instead of him or her. A proxy need not be a member of the Company. Where a shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the proxy form. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior shareholder will be accepted as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy.
- 2 A corporation which is a shareholder may appoint one or more corporate representatives who have one vote each on a show of hands and otherwise may exercise on behalf of the shareholder all of its powers as a shareholder provided that they do not do so in different ways in respect of the same shares.
- 3 To be effective, an instrument appointing a proxy and any authority under which it is executed (or a notarially certified copy of such authority) must be deposited at the offices of Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 11.00 am on 20 December 2009 except that: (a) should the meeting be adjourned, such deposit may be made not later than 48 hours before the time of the adjourned meeting, and (b) in the case of a poll taken more than 48 hours after it was demanded, such deposit may be made not later than 24 hours before the time appointed for the taking of the poll. A form of proxy is enclosed with this notice. Shareholders who intend to appoint more than one proxy can obtain additional forms of proxy from Capita Registrars by telephoning them on 0871 664 0300 (calls cost 10p per minute plus any network charges, lines are open Mon-Fri 8:30 am to 5:00 pm). Alternatively, the form provided may be photocopied prior to completion. The forms of proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made. Alternatively proxies may be sent by fax to FAO: Adam Timms, Capita Registrars, fax number +44 (0)20 8639 2482, the same returning rules apply for receipt. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting.
- 4 An abstention (or "vote withheld") option has been included on the form of proxy. The legal effect of choosing the abstention option on any resolution is that the shareholder concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
- 5 In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at 6.00 pm on 20 December 2009 or, in the event that the meeting is adjourned, in such register not later than 6:00pm two days before the time of the adjourned meeting, shall be entitled to attend, or vote (whether in person or by proxy) at the meeting in respect of the number of shares registered in their names at the relevant time. Changes after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
- 6 None of the email addresses and fax numbers referred to in this document may be used for any purpose other than those specified.
- 7 The following documents will be available for inspection at the offices of the Company's solicitors, Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London EC2Y 9AW, during normal business hours on any week day (public holidays excepted) from the date of this notice until the date of the Annual General Meeting, and at the place of the meeting for one hour before the meeting and at the meeting itself:
 - the constitutional documents of the Company, comprising its former Memorandum and existing Articles of Association; and
 - a copy of the proposed New Articles annotated to show the changes from the existing Articles of Association.